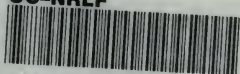


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# REPUBLICAN TEXT-BOOK

FOR THE

CONGRESSIONAL CAMPAIGN

1906

ISSUED BY THE  
REPUBLICAN  
CONGRESSIONAL  
COMMITTEE

NATIONAL HEADQUARTERS  
111 BROADWAY  
NEW YORK

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REPUBLICAN  
CAMPAIGN TEXT-BOOK  
1906

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ISSUED BY THE  
REPUBLICAN CONGRESSIONAL COMMITTEE,

1906

TO VINDICATE  
THE REPUBLICAN PARTY

“We ask that their promises and ours be judged by what has been done in the immediate past. We ask that sober and sensible men compare the workings of the present tariff law, and the conditions which obtain under it, with the workings of the preceding tariff law of 1894 and the conditions which that tariff of 1894 helped to bring about.”—President Roosevelt’s Speech of Acceptance, July 26, 1904.

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“Let us all consider the history and declarations of the great parties, and thoughtfully conclude which is the more likely to promote the general interests of our people.”—Benjamin Harrison.

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“The Republican Party was dedicated to freedom. It has been the party of liberty and emancipation from that hour; not of profession, but of performance.”—William McKinley.

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“No session of Congress has, in my judgment, for thirty years accomplished so much that is valuable in legislation for the best interests of all the people as has been enacted during the present session. I believe that this will be the verdict of history.”—Speaker Cannon in speech of thanks at close of session June 30, 1906.

## FOREWORD.

A Republican campaign text-book does not aim so much at an argumentative discussion as it does a presentation of facts and figures for reference by editors, speakers and writers. The members of a progressive and healthful political organization, representing, as does the Republican Party, a large majority of our 85,000,000 people, and having in its ranks over 8,000,000 voters, may have slight differences of opinion owing to geographical and industrial conditions. And yet on the great national issues of the day the Republican Party is harmonious and united as never before. All of its representatives believe in equal rights and equal opportunity to all. They believe in upholding the Constitution and the Statutes. They believe in maintaining the honor and integrity of the nation. They believe in protecting our labor and industries, and they are satisfied in pointing to the party's record of effort and achievement in the past in both legislation and administration as an evidence of what may be expected of it in the future if continued in control of the government. Republicans are never concerned about radicalism or conservatism. They never theorize or hypothesize. They are content with practical and progressive ideas and the maturing of those ideas into positive performance. To chronicle such performances briefly and to present compactly and comprehensibly the party record with a review of the nation's progress and the people's prosperity under the operation of Republican laws and execution, is the object of this work. Every statement made and all figures presented are official or authoritative. The truth is the highest exemplification of Republican doctrines and policies and party record the best plea that can be made for continuation in power.



## Campaign and Issues of 1906.

On the 6th of next November the members of the House of Representatives of the Sixtieth Congress will be elected. Since the termination of the Fifty-third Congress, March 4, 1895, the House of Representatives has been Republican and there is every reason to expect that a substantial working Republican majority will be elected next November. On the 4th of next March the Republican Party will have been in complete control of the government for ten continuous years, and during those years we have made a greater advance as a nation and a people than was ever made before in a generation and in many respects greater than during our whole previous history. There cannot then be the least doubt of Republican success if the voters study carefully the record of the two parties.

There will be thousands and hundreds of thousands who will vote for the first time in November, who were mere children when the Democrats last had a majority in the House of Representatives, and they do not all vividly remember the awful times and conditions brought on the country by that Congress. They were not born when the only Democratic President since the Civil War was first elected. They were babes in arms when Grover Cleveland sent his famous or infamous Free Trade Message to Congress, and when, a year after, the iniquitous Mills Bill was framed and passed by the Democratic House of Representatives of the Fiftieth Congress. But fortunately there was then a Republican Senate to prevent the enactment of a Free Trade law, and disaster and calamity was for the time averted. But in 1893 the Democrats had the Presidency as well as both Senate and House of Representatives, and the work of that single Fifty-third Democratic Congress cost the industries and people of the country many billions of dollars and incalculable suffering. These facts should be weighed with the record of the Republican Party before and since, and especially should the record of the present Congress be studied, for though its work is not yet finished, more has already been done in one session than by any previous Congress since the War of the Rebellion. The fiscal year which closed June 30th, and the calendar year so far, gave and is giving us new records in every phase of our industrial life, and only Democratic success can prevent in any way its continuance.

Never before in the history of nations have such industrial conditions or such material welfare existed as are to-day possessed by our progressive nation and our prosperous people. For nearly half a century, year after year and decade after decade, we have advanced by amazing strides in production and consumption, the twin indices of substantial success. The unparalleled wealth and power and credit and standard of living which have come to our people since 1861 have been under and largely because of the wisdom and the courage of the chosen leaders of the Republican Party. Our splendid natural advantages and our vast resources have been developed by patriotic, judicious and effective legislation, without which our ore might have lain unmined, our trees unfelled, our farms uncultivated, and our fac-

stories unbulit. For nearly a generation, under the Republican Party, with ebb and flow, but a more or less constant swelling of the tide of progress, our nation grew in power and wealth, and our people expanded materially, till suddenly in 1893 the Republican Party was displaced by a Democratic President, Senate and House of Representatives. The change lasted but four years, yet by what industrial and financial havoc was it accompanied, what distress, and ruin came with the anticipation and realization of the work of that Fifty-third Congress! The people were quick to see their mistake, and at the first opportunity restored the Republican Party to full power, and no party change has been made since during a period of ten years.

During these ten years we have made such wonderful progress and have attained to such substantial prosperity as to make us the envy of the whole civilized world, and our shores the Mecca of annual millions eager to share our opportunities and blessings. Year after year during this last Republican decade we have gone on breaking all previous records. We have passed other nations, at first singly, and then other nations combined. We have welcomed all who have come, absorbed them, and yet to-day we have a dearth of laborers and are unable to produce enough to meet the demands of our people for the necessities and luxuries of life. It is a situation unparalleled in the annals of nations. Our volume of employment, our rewards of labor, our enjoyments of life were never before equaled, and, best of all, there is no sign of abatement or signal of retreat. There is prospect of still greater and grander results and only the rankest pessimist can see a cloud on our national material horizon.

Republicans have a right to claim that our financial, commercial and industrial advancement is due to the laws enacted and executed by their party leaders. The party came into power when the Government and the people were practically bankrupt and without credit. A disrupted Union was restored, the vast expenses of war provided, specie payments resumed, a protective tariff amended from time to time and the development of the country continued till the Democratic check came in 1893.

Since 1897, when William McKinley was inaugurated and the Fifty-fifth Congress began its work, the Gold Standard has been adopted, the Dingley Law enacted and the culmination of beneficial Republican legislation has come with the present Congress and its splendid work of legislating for the people and their best interests.

Two years ago, in July, 1904, the fiftieth anniversary of the birth of the Republican Party was celebrated at Jackson, Mich. On June 21st, at Chicago, had been held the thirteenth national convention of the party, at which were nominated Roosevelt and Fairbanks, and where was adopted the last national platform of the party, which will be found on other pages.

On June 17th to 20th of this year, 1906, the National Republican League in its biennial convention, held at Philadelphia, celebrated the Golden Jubilee or fiftieth anniversary of the Republican Party as a national organization. This Golden Jubilee was held in Musical Fund Hall, where fifty years before was held the first National Convention of the party, at which time were nominated for its candidates for President and Vice-President, Fremont and Dayton, and its first platform adopted. Although, after a spirited campaign, the party was not successful in electing its candidates, it polled a popular vote of 1,341,264, and its



candidates received an electoral vote of 114. As early as 1855 the Republican Party had a large representation in the House of Representatives, and so strong had it become in the Thirty-fourth Congress, which met December, 1855, that N. P. Banks, Jr., of Massachusetts, was elected Speaker. In the Thirty-sixth Congress, which met December 5, 1859, there was a large Republican majority in the House of Representatives, and William Pennington of New Jersey was elected Speaker. In 1860, the Republican Party, with Abraham Lincoln as its standard-bearer, was victorious, and when inaugurated on March 4, 1861, owing to withdrawals of Southern members in both Senate and House of Representatives, the Republican Party was in full control of the government. For only two years since that time has the Democratic Party been in full control of the Government, and its only measure of any importance was the Wilson-Gorman Tariff of 1894, which caused such widespread business disaster and general distress, this being repealed and succeeded by the Dingley Law of 1897, which has since been in operation. The great progress, therefore, which we have made since the close of the Civil War has been under the legislation and administration of the Republican Party. Not only has it been under the Republican Party, but largely it has been due to its measures. Elsewhere will be found more in detail some of the laws enacted by the party and under which our great progress and prosperity has been brought about.

It is not necessary to repeat in detail the history of the party's laws or its achievements. We may, however, briefly allude to the most important phases of this nearly half century of work: the abolition of slavery, the restoration of the Union, the resumption of specie payment, the extension of our mail service, the adoption of the gold standard and always, since the Morrill Tariff of 1861, the protection of our labor and industries. We have increased in wealth, under the Republican Party, from \$7,000,000,000 to more than \$100,000,000,000. We have increased our railway mileage from 30,000 to 220,000 miles. Our farm property has increased in value from \$8,000,000,000 to over \$25,000,000,000, and the annual value of our farm products from \$1,000,000,000 to \$7,000,000,000.

During this period, while the Republican Party has been in power, the value of our manufactures has increased from less than \$2,000,000,000 to \$18,000,000,000. Our total exports have increased from \$333,000,000 to nearly \$2,000,000,000. In 1860, we produced about 800,000 tons of pig iron, while in 1905 the amount was 22,000,000 tons. We produced no steel whatever in 1860, while in 1905 the amount exceeded 20,000,000 tons. In 1860, the amount of cotton consumed by our mills was less than 1,000,000 bales, while in 1905 the amount was over 4,500,000 bales. Our total bank clearings in 1860 were less than \$20,000,000,000, while at present they exceed \$150,000,000,000. The 693,000 depositors in our savings banks in 1860 had deposits of less than \$150,000,000, while in 1905 the 7,700,000 depositors had deposits of over \$3,000,000,000. In 1860, our post-office receipts amounted to \$8,500,000, and had increased in 1905 to \$152,800,000. Four thousand seven hundred and seventy-eight patents were issued in 1860, while in 1905 the number had increased to 30,399. In 1860, the amount of liabilities of failures was \$80,000,000, while in 1905, with more than ten times the amount of business carried on, the amount of liabilities amounted to only \$102,000,000. Such comparisons could

be continued indefinitely, and will be found more in detail in a table presented elsewhere, but before leaving the subject one comparison should be made and particularly emphasized as to the progress made during the reign of the Republican Party since 1860.

Because of the various financial and tariff measures of that party which have brought about competition in manufactures, we have built up a home market in this country of such magnitude that for several years we have given full employment to labor at wages about double those paid when the Republican Party came into power. In some cases these wages are treble and quadruple what they were in 1860. In other cases, perhaps only 25 per cent. and 50 per cent. more; but in the aggregate and average they are fully double, and with these high wages we find that the prices of most manufactured articles have been reduced fully 50 per cent., or have been made twice as durable and serviceable as in 1860. This full employment and these high wages have given us a standard of living among our people not equaled elsewhere the world over. Our citizenship has been exalted far beyond that of the average of any other nation. Our consumption of not only the necessities but comforts and luxuries of life is far in excess of that found anywhere else, with the result that American manhood and American homes are so far in advance of those found elsewhere throughout the world that we are the envy of all civilization, and more than a million foreigners seek our shores annually to share in our great opportunities and advantages.

It is not claimed for the Republican Party that all the beneficent results of the past forty-five years are due wholly to its wisdom and judgment in legislation and administration, and yet, with all our vast resources and our splendid natural advantages, we could not have arrived at our present state or made the progress we have without artificial assistance. The sunshine and rain which contribute to our harvests also contribute to the harvests abroad. The same ore and coal that are found in our mines, and the forests which abound throughout our country, are found to a greater or less degree abroad; but it has been the principle of Protection to American labor and American industry which has given us our great home market, which has given profitable prices as the result of industry on the farm and in the factory, and which has made our progress more wonderful, not only than has ever before been known in all history, but has enabled us, year after year and decade after decade, to make great advances upon all our own previous records. Some of the principal acts of legislation of the Republican Party follow, and they can be supplemented by hundreds of less important acts which have contributed to the welfare of the nation and of the people. In the ensuing campaign, however, voters will be more apt to consider the recent acts of the party rather than those of preceding decades. We shall, therefore, confine ourselves largely to the deeds of the present Congress, and shall give as fully as possible both completed and pending legislation so that all may understand fully and precisely what has been done and is liable to be done if the Republican Party is continued in power in all branches of the Government. For two years longer Theodore Roosevelt will be President, and will have with him a Republican majority in the United States Senate. He should also have a Republican majority in the House of Representatives

for the remainder of his term to carry out such recommendations as will, in his judgment, be for the best good of all the people. It is believed that an examination of the record of the Republican Party through its whole history, and particularly during the past few years, will prove that it is entitled to the continued confidence of the people and result in a majority in the Sixtieth Congress.

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### REPUBLICAN LEGISLATION.

The following are some of the principal acts of legislation by the Republican Party:

1. The Homestead Law, passed by a Republican Congress and signed by Abraham Lincoln.

2. The acts for the issuance of legal tenders and national bank notes, which gave the people a currency of equal and stable value in all parts of the country.

3. The system of internal revenue taxation, by which approximately one-half of the ordinary expenses of the Government have been visited upon malt and spirituous liquors, tobacco and cigars.

4. The thirteenth amendment to the Constitution, which abolished slavery.

5. The fourteenth amendment, which created citizenship of the United States as distinguished from citizenship of the several States, and provided that no State should abridge the privileges or immunities of citizens of the United States.

6. The fifteenth amendment, which established equality of suffrage.

7. The Civil Rights Act, which extended to all persons the equal protection of the laws.

8. All existing laws for the payment of pensions to veterans of the Civil War and their surviving relatives.

9. The liberal legislation respecting mineral lands, which built up the mining industry, added enormously to the wealth of the country in the precious and semi-precious metals, and made it possible to resume specie payments.

10. The resumption of specie payments.

11. The reduction of postage, the money-order system, the establishment of the Railway Mail Service, free delivery, Rural free delivery, and other improvements that make the Post-Office Establishment of the United States the most efficient agency of that character that can be found on the globe.

12. The Life-Saving Service.

13. The artificial propagation and distribution of fish.

14. The distribution of seeds and other measures of vast importance in the promotion of agriculture.

15. The endowment of public schools, agricultural colleges, etc., by grants of land from the public domain.

16. The Administrative Customs Act, which insures justice and equality in the collection of duties.

17. The International Copyright Law, which respects the rights of authors in the product of their brains, but at the same time protects our publishing industry by requiring that books shall be printed in this country to entitle them to copyright.

18. The establishment of the Circuit Court of Appeals, to relieve the Supreme Court and no longer require litigants to suffer a delay of three or four years in securing a decision on appeal.

19. The admission of the States of Kansas, Nebraska, Nevada,



Colorado, North and South Dakota, Washington, Montana, Idaho and Wyoming, and provision for Statehood in Oklahoma.

20. The Anti-Trust Act. (This was drawn by Senators Sherman and Edmunds, and introduced by the former. In the House its passage was secured by William McKinley against an attempt to have it sidetracked in behalf of a bill for the free coinage of silver, which received the vote of every Democratic member with one exception. So it may be said that the law was placed upon the statute books over the united opposition of the Democratic Party as represented in the House.)

21. The National Bankruptcy Acts of 1867 and 1898, which relieved many thousands of unfortunate men from their burdens of debt and restored them to commercial or industrial activity.

22. The establishment of the Gold Standard, which placed our monetary system on a stable basis and in harmony with the great nations of the world.

23. Every schedule of duties on imports adopted within the past fifty years, in which the policy of protection to American labor has been distinctly recognized and efficiently applied, has been the product of a Republican Congress.

## THE PARTY WHICH HAS MET EVERY CRISIS.

*From Leslie's Weekly, June 14, 1906.*

In every crisis which has presented itself during the half-century of its existence the Republican party has risen promptly and grandly to the demands of the occasion. Now that radicalism and socialism in various shapes are making a powerful appeal for popular support, a résumé of the Republican Party's achievements in protecting vested interests of all sorts against demagogic assaults is timely.

When the greenback inflationists of a third of a century ago demanded that all government and private debts be paid in depreciated currency, except in the cases in which specie was expressly named in the contract, the Republican Party, by an act passed against the solid opposition of the Democracy, and signed by President Grant on January 14, 1875, brought all the country's currency up to the gold line. And the party has held the currency up to that level ever since, despite the assaults which have been made by radicalism in various guises, supported by the Democratic Party. The resumption act of 1875, by warding off greenback inflation, saved billions of dollars to the property and business interests of the country.

Populism in 1890-92, by its renewal of the war in favor of unlimited national currency and its demand for the issue of notes against the deposit of agricultural products, attempted to resuscitate the greenbackism of two decades earlier, plus the addition of a few new fads and follies. The Republican Party ultimately overthrew populism.

The war against property, business, and financial sanity was renewed in another form in 1896, when the Chicago convention, in July, with its fifty-cent silver-dollar propaganda, assailed the Republican demand at the St. Louis convention in June for a gold dollar worth 100 cents. Again the Republican Party was triumphant. By the Republican victory at the polls in 1896, by the Republican gold-standard act of March 14, 1900, and by the Republican triumph in the election in November of that year, the 100-cent dollar was written in the statutes so firmly and so decisively that Alton B. Parker, the Democratic candidate in 1904, declared that Republican legislation had protected business and property against further danger from the currency dilutionists.

Radicalism took a peculiarly menacing shape in the attacks made on the property-owners and the business interests by the greenbackers, the populists, and the silverites. The success of the silverite crusade of 1896 would have cut the \$100,000,000,000 of property of the country down to \$50,000,000,000. From this policy of wholesale robbery the people were saved by the Republican Party.

A new and particularly dangerous sort of radicalism presents itself to-day in the Government ownership of the great private and corporate interests which is being urged by elements that are reasonably sure to be powerful enough to control the Democratic party as firmly in 1908 as the silverite fifty-cent-dollar champions swayed that party in 1896 and 1900. Against this policy of confiscation the Republicans will do battle.

The Republican party headed off slavery extension into the Territories, preserved the Union, abolished slavery, put the eleven Confederate States safely back in their old places among the Commonwealths, protected property against assault by greenback, populist, and silver inflationists, made the United States the wealthiest country on the globe, and marked up United States credit higher than that of any other nation on the world's bourses.

For protection against spoliation by radical and socialistic fanatics and demagogues in 1906 and 1908, the business and property interests of the United States will once more have to rely on the Republican Party.

# Fifty-Ninth Congress.

FIRST SESSION, DECEMBER 4, 1905, TO JUNE 30, 1906.

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## President Roosevelt's Statement.

"In the session that has just closed the Congress has done more substantial work for good than any Congress has done at any session since I became familiar with public affairs. The legislation has been along the lines of real constructive statesmanship of the most practical and efficient type, and bill after bill has been enacted into law which was of an importance so great that it is fair to say that the enactment of any one of them alone would have made the session memorable; such, for instance, as the railroad rate bill, the meat inspection measure, the pure food bill, the bill for free alcohol in the arts, the consular reform bill, Panama Canal legislation, the joint Statehood bill, and the naturalization bill.

"I certainly have no disposition to blink at what there is of evil in our social, industrial or political life of to-day, but it seems to me that the men of genuine patriotism who genuinely wish well to their country have the right to feel a profound satisfaction in the entire course of this Congress. I would not be afraid to compare its record with that of any previous Congress in our history, not alone for the wisdom, but for the disinterested high-mindedness which has controlled its action. It is noteworthy that not a single measure which the closest scrutiny could warrant us in calling of doubtful propriety has been enacted; and, on the other hand, no influence of any kind has availed to prevent the enactment of the laws most vitally necessary to the nation at this time."

## Speaker Cannon's Statement.

"In my judgment, the work done and the legislation enacted in the session just closed exceeds in importance, for the best interests of all the people of the Republic, the work of any session during my thirty years of public life. I have not time to make a complete review of all the legislation. Suffice it to say that the legislation covering appropriations and authorization of public expenditures has been most carefully considered and wisely enacted. The legislation commonly referred to as the rate legislation, the pure food bill, the inspection feature of the agricultural bill, are all measures that affect the interests of all the people, and while nothing perfect can be enacted, I am satisfied that the operation of these laws will demonstrate their wisdom. And I believe if nothing else had been accomplished than the enactment of these three measures, they alone would be sufficient to make the first session of the Fifty-ninth Congress a memorable one in the history of the Republic."

## SUMMARY OF IMPORTANT LAWS ENACTED.

Fifty-ninth Congress, First Session, December 4, 1905, to June 30, 1906.

The achievements of the Fifty-ninth Congress in its first session, lasting seven months, constitute a remarkable record.

To the people this session must have clearly demonstrated the signal advantage to the nation of party unity in the executive and both legislative branches of the Government.

Among the principal laws enacted are the following:

Railway rates to be fixed by enlarged Interstate Commerce Commission; rebates and other discriminations penalized; sleeping cars, express companies and pipe lines made common carriers; railway passes prohibited.

Panama Canal to have 85-foot level, with locks; Panama Canal bonds to enjoy same privileges as all other United States bonds; Panama Canal supplies to be domestic products.

Pure Food: Label must tell the truth, especially on popular remedies.

Meat inspection, "from hoof to can," at Government expense.

Free alcohol, denatured, for use in the arts.

Oklahoma (including Indian Territory) admitted to the Union, and Arizona (with New Mexico) if they agree to union.

Consular service reorganized on merit basis.

Quarantine against yellow fever nationalized.

Niagara Falls to be preserved.

Alaska allowed a Delegate in the House. Alaska liquor revenue devoted to schools and road building. Prohibition of aliens fishing in Alaskan waters.

Naturalization safeguarded and made more difficult.

Steamboat inspection made more rigid, due to General Slocum loss. Motor boats operated for profit required to have federal licenses.

The Philippines: Application of Coastwise law postponed until April 11, 1909. Minor tariff modifications made, and ratio of gold and silver in insular coinage changed. Batan coal mines to belong to Government. Tariff duties collected before 1902 legalized. Naval vessel for Philippine Naval Militia.

Gold bullion reserve in excess of \$50,000,000 to be coined. National bank liabilities limited to 30 per cent. of capital.

Employers' Liability Statute: Negligent common carriers within United States jurisdiction liable for damages to employes.

Federal donations to State Agricultural Experiment stations increased so that within ten years they shall each receive \$30,000 annually.

President's travelling expenses defrayed to the extent of \$25,000 annually.

American representative at Constantinople made Ambassador, and \$150,000 appropriated to purchase Legation property.

Production of pure domestic sweet wines encouraged by reduced taxation.

Immunity of witnesses in criminal cases limited (Anti-"Immunity Bath").

United States District judge and court officers for China, and additional judge for New York, Southern District, provided.

Destruction of antiquities on United States lands forbidden and the President authorized to acquire lands which have his-



toric value. Mariposa big tree grove accepted from California. National park established in Oklahoma and named for Orville Hitchcock Platt. Battle Mountain sanitarium reserve in South Dakota established for disabled soldiers.

Trade-mark law amended.

Militia efficiency to be promoted by aid of \$2,000,000 annually.

Final disposition of affairs of the five civilized tribes of Indians.

Secretary of Interior authorized to establish town sites of not more than 160 acres each in irrigated areas.

Unlawful wearing of insignia of G. A. R. and other soldier organizations forbidden.

Secretary of the Navy given greater discretion in suppressing hazing at Annapolis.

Falsely marked articles of gold or silver or their alloys not to be imported, exported or carried.

Sponge growing in American waters protected.

San Francisco sufferers aided; \$2,500,000 appropriated.

Extending period for continuous shipment of cattle to thirty-six hours.

To destroy derelicts, \$250,000 steam vessel authorized.

Numerous lighthouses and beacons authorized.

Census Office directed to collect and publish vital, social and other statistics.

Waste in public printing cut down one-third.

For District of Columbia, a Juvenile Court, compulsory education, sale of poisons restricted.

Grave of Andrew Jackson, with fifteen acres of land, made a national cemetery. Marking graves of Confederate soldiers.

Jamestown Exposition, 1907, given aid.

Monuments Authorized: King's Mountain battleground, South Carolina, \$30,000; landing of the Pilgrims, at Provincetown, Mass., \$40,000; Princeton battleground, New Jersey, \$30,000; John Paul Jones, in Washington, \$50,000; Commodore John Barry, in Washington, \$50,000; H. W. Longfellow, in Washington, \$4,000 for pedestal.

Incorporations: Carnegie Foundation for the Advancement of Learning; Archæological Institute of America, and Ohio and Lake Erie Canal Company.

Thanks of Congress extended to General Horace Porter for recovering body of John Paul Jones.

Restrictions on Cabinet Officers to prevent deficiencies of appropriation.

Sixty-nine laws enacted authorizing bridges or dams across navigable rivers.

Forty-three acts for the government of the District of Columbia.

Three hundred and twenty public acts altogether.

Three thousand six hundred and ninety Civil War pension acts.

Six hundred and ninety-six private pension acts.

Bills Introduced: House, 20,475; Senate, 6,551.

Number of pages of Congressional Record, over 10,000—a new record.

#### Measures Left Over to Next Session.

Santo Domingo Treaty.

Isle of Pines Treaty.

Morocco Treaty to be voted December 12.

Immigration restriction (in conference).

Senator Smoot's right to seat.

Publicity of campaign affairs.

Prohibiting corporation campaign contributions.

Shipping Bill.

To make Porto Ricans United States citizens.

Reduction of tariff on products of Philippines.

United States to own its Embassies and Legations abroad.

To build Government powder factory.

Appalachian and White Mountain forest reserves.

Copyright revision.

Modification of Chinese exclusion law.

Prescribing punishments on high seas.

Codification of Revised Statutes.

Navy to have biggest battleship afloat.

Removal of customs duty on works of art.

Swamp reclamation similar to irrigation statute.

Cable to Guantanamo and canal zone.

Anti-injunction bill.

Eight-hour law.

Army and Navy Dental Surgeon Corps.

Increase of Artillery Corps.

To punish improper use of the Stars and Stripes.

Retirement of superannuated federal clerks.

To establish postal savings banks and parcels post.

Limiting working hours of railway employes.

## WHAT CONGRESS AND THE PRESIDENT HAVE DONE.

It is a record of great achievement which the first session of the Fifty-ninth Congress leaves behind it. We may question, indeed, whether there has been a Congress session since the Civil War that has more closely held the public attention or dealt affirmatively with so many matters of vital public interest. Let us catalog the more important enactments of the session:

The power of the Government Commission to fix maximum railroad rates within the limits of reasonableness has been restored in the interstate commerce law, and Government control of railroads otherwise greatly extended.

Federal inspection of foods at the sources of interstate supply, with restrictions in regard to adulterations, has been enacted after years of fruitless agitation in Congress.

The meat-packing industry has been brought under far closer federal inspection and restriction.

There has been enacted, also after years of fruitless effort, a provision freeing from prohibitive internal revenue taxes alcohol for use in manufactures, the arts, and as a source of energy for heating, lighting and motor purposes—a provision of incalculable importance for many industries.

Oklahoma and Indian Territory have been admitted to the Union of the States, and a conditional admission of Arizona and New Mexico provided.

A national employers' liability act, affecting railroads chiefly, has been passed, modifying radically in the interests of employes the loose common-law rules regarding the same.

Measures have also been passed restricting within what are deemed constitutional bounds the immunity privilege in trust and railroad prosecutions; permitting national banks to lend 10 per cent. of capital and surplus to a single borrower, instead of 10 per cent. of capital alone, the loan in no case to exceed 30 per cent. of capital; and providing for an enlargement in the circulation of money of small denominations.

As against these acts of commission there have been acts of omission. But of great matters before Congress what was left undone is insignificant compared with what has been done,—*Springfield Republican*.



**SPEECH OF REPRESENTATIVE CHARLES E. TOWNSEND,  
OF MICHIGAN, JUNE 26, 1906, CONCERNING WORK  
OF FIFTY-NINTH CONGRESS.**

Mr. Townsend said: Mr. Chairman, the wise business man at the end of the year or on the completion of an enterprise stops and takes account of stock and considers results. It seems to me not unwise during the last days of this session to pause a moment and review the records of what has been done.

This I believe will be recorded as one of the most important sessions, measured by real benefit to all of the people, that has ever been held by the American Congress. It has not only enacted wise and beneficial legislation, but it has established principles of great and lasting importance. (Applause.)

**Republican Credit.**

The Government has been Republican in all of its branches. That party must stand and answer for whatever of good or bad has been accomplished. The minority in Congress may claim credit if it chooses for helping or hindering; but the majority has been sufficient to accomplish what has been done, and every great law has been enacted by votes enough in number to have carried the measure had every Democrat in each House voted against it.

It is due the minority to say it has demonstrated unusual and unexpected statesmanship and patriotism by going with the majority and making some of the votes unanimous, but the result would have been the same had it seen fit to do otherwise.

When the fifty-ninth Congress assembled in December, 1905, it was presented with some of the most important problems ever offered to the National Legislature.

**Panama Canal.**

The Panama Canal, the largest enterprise in the world's history, had been determined upon, but the organization of the ways and means for its construction had not been accomplished. This stupendous undertaking had no precedent in history upon which the Administration could rely for guidance. The great problems of sanitation, labor, and type of canal were not solved when this Congress convened. The President and the Fifty-ninth Congress have solved them now, and the canal is an assured fact and already under construction. The expenses to date have been paid, and provisions have been made for the ensuing year. The money will be expended under laws insuring honesty and economy.

**Railroads.**

Responding to its duty to promote the general welfare, the Congress under authority of the commerce clause of the Constitution has established by enactment into law the great and all-important principle that public service corporations are corporations for public service, and while sanely and wisely recognizing the necessity of these organizations and the importance of their success, it has served notice upon greedy, avaricious, and unconscionable corporate wealth and power that this is to be a government of law and order, administered for the benefit of all the people. (Applause.)

The bill will, in my judgment, secure to a large degree equality and justice to all.

Do not understand me as saying that the measure will be all that some of its advocates desire or think. But so great and important is the subject, so complex in its nature, and so great a departure in many respects from past methods that it is best to administer the law as enacted, in order to determine what, if any, change shall be made hereafter.

Conceded evils of transportation have existed for many years. Other Congresses, Democratic and Republican, have had opportunities to deal with them. Several Congresses have passed laws regulating carriers, all of which were beneficial, but none of them sufficient to meet the crying needs of the present. It became the privilege of certain Republicans of the Fifty-eighth Congress to press the proposition for regulating interstate car-

riers upon the Committee of Interstate and Foreign Commerce until that committee was a unit for it. The President, at the beginning of the third session of the Fifty-eighth Congress, advocated the legislation. A bill was prepared and passed a Republican House. It failed of consideration by the Senate. The Fifty-ninth Congress, overwhelmingly Republican, prepared through its committee another bill, more far-reaching in its provisions than its predecessor, and this has become to all intents the law of the land. (Applause.)

The Sherman anti-trust law, a Republican measure, has been enforced by a Republican Executive until illegal combinations are in great fear and trembling, while some of their constituents are either on the road to the penitentiary or hiding from the officers of justice. Under the leadership of an incorruptible, fearless, and patriotic Republican President, supported by an equally patriotic Republican Congress, a campaign has been made against fraud and corruption in what hitherto has been called "high places," which has given hope and courage to honest men and placed the crown of honor where it belongs, upon the brow of true American manhood. (Applause.)

Corruption and fraud have been no more prevalent during the last few years than they have been for many years theretofore.

#### Higher Standard.

Indeed, I believe that they have been less. The world has been growing better in spite of all the yellow fellows to the contrary. (Applause.) One of the best indications of improvement is the fact that the criminal is no longer respectable, whether he steals millions or dimes; whether he corners money or directs a mob; whether he sells tainted meats or gives rebates; whether he misappropriates public funds or filches from the individual; whether he be corrupt Senator or defaulting clerk, he is amenable to the law and is brought to justice and branded with his crime. Never in all United States history was the public service cleaner or of a higher standard than now, and this largely because of the awakening of the public conscience to the full realization of the necessity for cleaner public life. (Applause.)

This Administration has not only been fearless in its work and high in its ideals, but it has added to the general prosperity of the people, until this day is bigger and brighter and more glorious in prospect than any other in the world's history. (Applause.)

#### Free Alcohol.

The work of the present is only limited by the power with which to do it, and this session of Congress has placed within the reach of enterprise a new force. It has handed over to the farmer and the small manufacturer denatured alcohol, and they can use it to perform their work. I am not intoxicated with the illusion of all the benefits which some enthusiasts claim for this new force, but I do believe it will unlock the jaws of the Standard Oil monopoly and relieve industry from its throttling grip. Alcohol sleeps in the refuse of a thousand products, which at present but contaminates the air.

The farmer and manufacturer may now awaken the giant, harness it to their machinery, and compel it to serve them. (Applause.)

#### Immigration.

But these are not all. The House has passed bills in reference to immigration and naturalization. Our country has opened its arms in welcome to the worthy of all nations, but into them have rushed some from across the waters who never can be, and never expect to be, true citizens of the United States. They become the willing tools of designing and corrupt politicians and menace the high standard of American citizenship. This is a country for which hundreds of thousands of patriotic citizens have died. It should be kept for those only, of whatever race or color, who are willing to become wedded to it so long as life shall last and, forsaking all others, shall live and, if need be, die for it. (Applause.)

### Naturalization.

We are to have a uniform naturalization law, and only those shall be trusted with the sacred rights of citizenship who have proven themselves worthy of it. The wicked, depraved, and dependent, "who have left their country for their country's good," must be denied an entrance to a land already burdened by too many of their ilk.

### Pure Food.

For years fruitless attempts have been made in the American Congress to curb the selfish and vicious practices of manufacturers and venders of unwholesome and deleterious foods and drugs. This Congress has enacted a law which I verily believe will contribute more to health and happiness than any other act within the last quarter of a century. The nostrum concocter may see his nefarious business vanish, but health will increase, and the people will be stronger in body and purse.

The manufacturer of unwholesome food products may be denied his accustomed dividend, but legitimate business will flourish more abundantly, and the people will call their law-makers blessed.

### Oklahoma.

A new star has been added to Old Glory and its light will shed an increased luster upon the Republic. Oklahoma has perhaps waited long, but her admission at the end of this session has not delayed her entrance into the sisterhood of States. She could not have taken her place any sooner had the act of admission passed last December. She will assume all of the responsibilities and receive all of the blessings of statehood, but she is well prepared, and the Sixtieth Congress will warmly welcome her Senators and Representatives, for they will be wise and patriotic Americans, eminently fitted to aid in shaping the destiny of our common country. (Applause.)

I have not mentioned all that has been done by this Republican Administration. Time forbids that I should do so. I cannot tell in detail all of the acts of wisdom and economy which have characterized the proceedings of the last seven months. I am profoundly thankful that I have been permitted to perform my humble part in that splendid work. What has been written has been written, and all of the frantic efforts of men hungry for place and power to belittle or appropriate it will come to naught.

### The President.

Theodore Roosevelt, President of the United States, needs no encomium from me. He has already written his name high upon that illustrious roll of fame, along with those of Washington and Lincoln. Washington established the Republic; Lincoln preserved it; Roosevelt has dedicated it anew to the cause of justice and equality. (Applause.) The first two escaped not the calumniator and detractor. No man who has been strong and courageous for the right ever did, but the people, they who make the republics, have crowned him benefactor. Some there have been who have sought to belittle our great President, and have been audacious enough to attack him, but *they* only bear scars, and 80,000,000 American people have awarded him the victory. He at times may have been impulsive, but the impulse was born of love for the people; he has been strenuous, but the exigencies of the times have demanded it, and it has been the strenuousness of public service. He has *done* things, and who is there so reckless as to rise here or elsewhere and condemn what he has accomplished? "By his fruits ye shall know him."

### The Speaker.

I cannot close without paying my humble yet sincere tribute of respect and esteem to that distinguished Republican statesman and patriot, the Speaker of this House. (Applause.) He has not only presided with impartial ability over the Congress, but he has been wise in counsel, profound in statesmanship, and is devotedly loved by every Member of this body. Arduous and sometimes difficult and exacting duties have not disturbed his mental or physical powers, and he stands to-day younger than



the youngest and stronger than the strongest, "The noblest Roman of us all." Wise, just, and experienced, he has no superior in the minds of those who know him. That God may fulfill the promise of many more years of exalted service to his country is the devout prayer of the American people for Joseph G. Cannon. (Applause.)

The country, listening to the sweet music of humming spindles and revolving wheels, gazing on the happy and contented faces of its prosperous people, will recall that all of its prosperity during the last forty years has been under a Republican administration, and that all of its financial, industrial, and commercial distress and suffering have been under a Democratic administration, and with these memories fresh in mind it will say to the Republican party, "well done, good and faithful servant, continue ye in power." (Prolonged applause.)

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### REPUBLICANS EVADE NO ISSUES.

Assuredly it is unwise to change the policies which have worked so well and which are now working so well. Prosperity has come at home. The national honor and interest have been upheld abroad. We have placed the finances of the nation upon a sound gold basis. We have done this with the aid of many who were formerly our opponents, but who would neither openly support nor silently acquiesce in the heresy of unsound finance; and we have done it against the convinced, the violent opposition of the mass of our present opponents who still refuse to recant the unsound opinions which for the moment they think it inexpedient to assert. We know what we mean when we speak of an honest and stable currency. We mean the same thing from year to year. We do not have to avoid a definite and conclusive committal on the most important issue which has recently been before the people, and which may at any time in the near future be before them again. Upon the principles which underlie this issue the convictions of half of our number do not clash with those of the other half. So long as the Republican Party is in power the gold standard is settled, not as a matter of temporary political expediency, not because of shifting conditions in the production of gold in certain mining centers, but in accordance with what we regard as the fundamental principles of national morality and wisdom.—President Roosevelt's Speech of Acceptance, 1904.

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As far as your interests be, in the direction of national questions, the principles have not changed, and you stand here to-day just exactly where you stood years ago in this State, when, under the leadership of the gallant man who believed in the protective policy and in safe money, you followed him to the polls. It is a serious thought that I want you to take home. Republican or Democrat, take it home to-night and think it over. Compare the conditions by your fireside to-day with those which existed under the Cleveland administration, and then make up your minds, and when you have reached a decision, "STAND PAT."—Hon. Marcus A. Hanna, Chillicothe, Sept., 1903.

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There is left on the statute book no trace of any Democratic legislation during this whole period of thirty-two years except the repeal of the laws intended to secure honest elections. The two administrations of President Cleveland are remembered by the business men and the laboring men of the country only as terrible nightmares. Whatever has been accomplished in this period, which seems to me the most brilliant period in legislative history of any country in the world, has been accomplished by the Republican Party over Democratic opposition.—U. S. Senator George F. Hoar.

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"It is better to trust those who are tried, than those who pretend."—John A. Logan, 1878.

## APPROPRIATIONS OF FIRST SESSION, FIFTY-NINTH CONGRESS.

Statement of Hon. James A. Tawney, of Minnesota,  
Chairman of the Appropriations Committee in the House of  
Representatives,

*Saturday, June 30, 1906.*

The House having under consideration the bill (H. R. 20511) making appropriations for certain public buildings authorized by the act approved June 30, 1906, and for other purposes—

Mr. Tawney said:

Mr. Speaker: With the passage of this bill the first session of the Fifty-ninth Congress will practically close. Viewed from any legislative standpoint, whether in the enactment of important, wise, and beneficial laws, or the careful and economical appropriation of public funds for the public service, or in the aggregate number of public and private acts, it surpasses any preceding session of Congress since the adoption of the Constitution. It is doubtful if ever in the history of the Republic we have had a session of Congress that responded more promptly, more efficiently, and more fully to the legislative needs of the people, as expressed through public opinion, than the first session of the Fifty-ninth Congress has done.

Next to the duty of enacting laws for the collection of governmental revenues, there is no duty devolving upon Congress that is comparable with that of appropriating and distributing these revenues for the purpose of defraying governmental expenses. Therefore, in order that the country may know how faithfully this duty has been performed, it has long since been the established custom at the end of each session to review the work of Congress in respect to appropriations, and also to compare the same with the appropriations of previous years, together with the estimated revenues for the fiscal year for which the appropriations are made.

### Comparison of Appropriations.

The expenditures of the Government authorized by appropriations made during the first session of the Fifty-ninth Congress, include:

Sums carried in the regular annual supply bills, \$672,987,734.70;

Permanent appropriations made by laws enacted by previous Congresses and for which subsequent Congresses are not responsible, except in so far as acquiescence in their existence creates responsibility therefor, \$140,076,320;

Deficiencies, which cover expenditures for the current and prior fiscal years, on account of inadequate appropriations by previous Congresses, or made necessary by unbusinesslike methods of administration, \$39,119,246.62; and

Miscellaneous appropriations in special acts carrying sums of money outside of amounts in the regular appropriation acts, estimated at \$28,000,000; making a grand total of \$880,183,301.32.

To ascertain the amount of the last-named sum appropriated for the conduct of the Government during the fiscal year beginning July 1, 1906, to be met out of the revenues collected that year, the following deductions must be made:

From the regular annual appropriations the sum of \$25,456,415 for construction of the Isthmian Canal, which sum will be paid from or reimbursed to the general Treasury out of the proceeds of the sale of bonds authorized by the original canal act of 1902, to be issued for that purpose.

From permanent annual appropriations \$57,000,000, which is the sum of the statutory maximum annual requirements of the sinking fund payable in the discretion of the Secretary of the Treasury from surplus revenues, and the further sum of \$22,000,000 for redemption of national-bank notes out of deposits by banks for that purpose; in all, \$79,000,000.

From deficiencies all amounts, except those expressly providing for service of the Government during the fiscal year 1907, aggregating about \$35,000,000.

The total of the sums mentioned, amounting to \$139,456,415, deducted from the total apparent appropriations leaves an aggre-

gate sum for all purposes, including the postal service for 1907, of \$740,726,886.32.

The ordinary revenues of the Government from customs, internal revenue, and miscellaneous sources for the fiscal year 1906 amount to nearly \$595,000,000, a gain of more than \$51,000,000 over the like revenues for 1905.

This satisfactory growth of our revenues for the year just closed over the revenues of the preceding year is not only indicative of the industrial and commercial prosperity of the nation, but gives assurance, if these conditions are not disturbed by agitation or other causes, of such continued increase as to make it practically certain we will have a total of not less than \$600,000,000 of ordinary revenues for 1907, which added to the estimated postal revenues will produce a grand total of revenue of \$781,573,364, or a surplus of \$40,846,477.68 over the total expenditures for 1907 authorized by the appropriations of this session. This surplus will be available, in the discretion of the Secretary of the Treasury, for application to the sinking fund, together with a considerable further sum that will arise in the nature of excess of appropriations over actual expenditures. This difference between total appropriations and total expenditures varies, one year with another, in sums equal to not less than 2 per cent., and in some years to as much as 5 per cent. of all of the annual appropriations.

### Regular Annual Appropriations.

The appropriations for the regular annual expenses of the Government are made in twelve separate acts, and in comparison with the appropriations for the fiscal year 1906 they show increases for the fiscal year 1907 as follows:

The Agricultural bill appropriates \$9,932,940, being an increase of \$3,050,250 over the act for 1906; this apparent large excess is chiefly on account of the requirements for inspection of packing-house products.

The Army appropriation act carries \$71,817,165.08, being an increase of \$1,420,533.44 over 1906. The Army is now maintained at substantially its minimum strength under the law, and the moderate increase which is indicated will doubtless avert deficiencies that otherwise would have to be provided for at the next session.

The Diplomatic and Consular appropriation act carries \$3,091,094.17, an increase of \$968,046.45. During the present session of Congress a carefully prepared law has been passed, on the recommendation of Secretary of State Root, radically reorganizing our entire consular service in the direction of applying business methods to the promotion of our commercial interests with other countries.

The District of Columbia appropriation act appropriates for 1907 \$10,138,692.16, an increase of \$337,494.54 over 1906. This act provides for the entire governmental expenses of the Federal District within which is located the capital city of Washington. The expenses covered by this act includes what in the States would constitute Federal, State, county, and municipal expenses.

The legislative, executive, and judicial appropriation act carries for 1907 \$29,741,019.30, being an increase of \$604,267.24 over 1906. This act carries the appropriation for the entire expenses of Congress, the Executive Departments at Washington, and for the judiciary. The principal increases included in the total apparent excess of 1907 over 1906 are as follows:

For expenses of collecting internal revenue, \$85,000; for skilled services in the Supervising Architect's Office, previously paid from public building appropriations, \$72,460; for salaries, office of Public Health and Marine-Hospital Service, previously paid from permanent appropriations, \$41,380; for salaries of clerical force in certain bureaus of the War Department, previously paid from general appropriations, \$141,920; for temporary force for reproducing records for the land office at San Francisco, \$60,000; and additional clerical force for the Patent Office, \$66,480.

The Military Academy act appropriates for 1907 \$1,664,707.67, an increase of \$990,994.29 over the appropriations for 1906, all of which sum is substantially for reconstruction of this educational institution.



The Naval appropriation act carries \$102,071,651.27 for the fiscal year 1907, and shows an increase of \$1,734,970.33. This branch of the military side of our Government has been showing considerable increase year by year since the work of rehabilitating the Navy began more than twenty years ago. The action of Congress at this session with reference to the proposed great battleship indicates that the maximum has at least been reached, and that without considerable future increase in actual expenses the country may feel assured we have a Navy equal to any emergency and sufficiently powerful to maintain the prestige of the United States among the nations of the world.

The Pension appropriation act appropriates \$140,245,500, an increase of \$1,995,400 over the appropriations carried in the pension act for 1906, as required to meet the obligations of the pension laws as they actually exist.

It is proper in this connection to call especial attention to the fact that the Pension appropriation act enacts into permanent law the following provision:

That the age of 62 years and over shall be considered a permanent specific disability within the meaning of the pension laws.

The effect of this will be to exempt all old soldiers from the necessity of undergoing the expense of medical examinations for increase of pensions on account of increased age.

The Post-Office appropriation act appropriates for 1907 \$191,695,998.75, an increase of \$10,673,905 over 1906. The postal service represents what is essentially the purely business side of our Government, and to the extent that the country is prosperous the service grows; its expenses are substantially borne by the revenue which it produces. Of the total increase for the postal service, \$3,030,000 is on account of free rural delivery.

The Sundry Civil appropriation act carries for 1907 \$98,274,574.32, or an apparent increase of \$31,461,123.66 over the total sum carried by the act for 1906. The Sundry Civil is the one appropriation act of the whole list with which it is not possible to make an intelligent comparison, because of the fact that it is made the vehicle to carry all expenses of the Government not directly belonging to some one of the other eleven regular appropriation bills. It provides for the things that arise in one year and are consummated and disappear from our national expense account.

For instance, of the total apparent increase for this year over the last fiscal year, \$25,456,415.08 is for the Panama Canal, an item of expense that has never before appeared in any Sundry Civil appropriation act. The act for 1907 also carries for continuing work on rivers and harbors throughout the country, authorized by the River and Harbor act passed at the last session and in acts passed at previous sessions of Congress, amounting to \$17,318,976.14, or an increase of \$6,774,844.14 over the appropriations for the like purposes for the fiscal year 1906, the two amounts mentioned more than offsetting the whole apparent excess of the act for 1907 over 1906, notwithstanding increases were made of \$289,185 for the National Soldiers' Home, \$75,000 for aid to State Soldiers' Homes, and \$150,000 for pay and bounty of soldiers of the Civil War and the war with Spain.

For printing and binding for all of the Departments of the Government the annual appropriation is reduced in the aggregate \$90,000 for the fiscal year 1907. This satisfactory reduction in a most important branch of the public service is made possible because of legislation passed at this session of Congress and improvements and reforms in administration instituted by the present incumbent of the Government Printing Office.

#### Sinking Fund.

The amount authorized by a law enacted February 25, 1862, to be applied annually to the sinking fund out of customs revenues is 1 per cent. of the entire debt of the United States, together with a further sum equal to the interest on all bonds belonging to the sinking fund, and, as stated, is estimated at \$57,000,000 for the fiscal year 1907.

The total debt of the United States, less cash in the Treasury, has been reduced since August 31, 1865, when it reached its

greatest sum, \$2,756,431,571.43, to \$981,954,692.84 on the 1st of June of this year, the actual reduction being \$1,774,476,878.59, or \$106,855,947.61 in excess of statutory requirements of the sinking fund, the excess redemptions having been made under a law first enacted in 1881, authorizing the purchase or redemption of bonds in addition to sinking-fund requirements, out of any surplus money in the Treasury.

It is not uninteresting to mention here that the total reduction of the public debt during the eight years of Democratic Administration of Mr. Cleveland amounted to \$341,448,449.20, all of which was during his first term, when the fiscal policy of the Government was that of the Republican Party, and that additional bonds were issued during the last four years of that unhappy period, ostensibly for the purpose of maintaining the gold standard, but in fact to raise money with which to meet the current expenses of the Government, amounting to \$262,155,956.77, thus making a net reduction of only \$79,292,492.43 in the national debt during the whole period of eight years of Democratic Administration since the close of the Civil War.

In contrast with this record it is shown that during the nine fiscal years (1897-1905) of administration of the Government under William McKinley and Theodore Roosevelt the national indebtedness has been reduced by the application of \$241,325,081.29 to the sinking fund, and, in addition, \$50,000,000 has been paid for the right of way of the Panama Canal, \$10,000,000 of the original appropriation has been expended toward construction, and \$42,447,201.08 more has been appropriated at this session toward that greatest of all public works, without the necessity of issuing the bonds authorized by law to raise funds for its construction.

#### Estimates and Appropriations.

The estimates submitted to Congress by the Executive Departments at the beginning of this session in the Book of Estimates for 1907 amounted to \$804,296,415.47; subsequently, in supplemental estimates for the fiscal year 1907, other amounts were recommended aggregating \$30,000,000, while for deficiency estimates there were considered sums aggregating not less than \$46,500,000.

Appropriations made during this session for which no corresponding estimates were submitted, and which were made necessary chiefly by legislation enacted during the session, include \$10,250,000 carried in the Statehood act, \$1,000,000 for arming and equipping the militia, \$2,500,000 on account of the earthquake and fire at San Francisco, \$3,000,000 on account of meat inspection, \$500,000 on account of the new quarantine law, \$10,321,600 on account of public buildings, and other less conspicuous sums, aggregating in all about \$31,000,000.

Deducting this amount from the total appropriations of the session, namely, \$880,083,301.32, and comparing the balance of the aggregate appropriations of the session with the total estimates, it is shown that Congress has appropriated for the public service nearly \$32,000,000 less than the estimates submitted by the Executive Departments for the public service for the fiscal year 1907.

So large a reduction in the estimates submitted to Congress indicates either extravagance in administration or careless consideration of the requisitions made upon Congress for appropriations. The latter is the fault most likely to exist, and entails upon the committees of Congress much, if not the greater part, of the labor they have to perform in considering and formulating appropriation bills, in order that they may determine the amounts necessary for a wise and proper administration of government, as distinguished from those which are based upon extravagance and the self-interest of subordinate and irresponsible officials or the desire of others to magnify and enlarge the importance of bureaus and divisions over which they preside.

#### Deficiencies.

The Urgent Deficiency and General Deficiency appropriation acts passed at this session carry in the aggregate \$39,119,246.62. From this amount, however, there must be deducted \$16,990,786 for the Isthmian Canal, which sum, though carried in deficiency



acts, in no sense belongs in the category of deficiencies, in that it is not an annual appropriation, but is for a specific object or public work without reference to the limitations of fiscal years, and is reimbursable to the Treasury out of proceeds of bonds authorized to be sold for that purpose. Also there should be deducted sums not appropriated for indebtedness incurred for 1906, such as judgments and audited accounts; amounts for restoration of public buildings in San Francisco and replacement of military stores destroyed in that city by earthquake and fire; \$3,000,000 for expenses of collecting customs during the fiscal year 1907 to meet an insufficiency in the permanent annual appropriations of \$5,500,000 made for this object in an act passed in 1871, when our total customs receipts amounted to \$206,000,000 as against more than \$300,000,000 collected during the current fiscal year 1906, the whole aggregating a sum indicating that not more than the sum of \$8,500,000 of the whole \$39,119,246.62 was for actual deficiencies in appropriations for conduct of the Government during 1906. And in this sum there is included for payment of pensions \$3,500,000, or nearly one-half of the whole amount.

Prior to the Fifty-eighth Congress deficiencies in appropriations made for the public service had become so common and had increased to such an extent that that Congress deemed it essential to enact legislation to prevent such deficiencies. Therefore many of the Executive Departments proceeded on the theory that they, and not Congress, should fix the standard of public expenditure, and if the amount appropriated for the service under their jurisdiction was not in their judgment adequate, they proceeded to expend the appropriation upon the basis of their estimates and then at the next session of Congress would submit deficiency estimates which, if not allowed, would necessitate the suspension of the service.

It was this practice which prompted a distinguished Cabinet officer during this session to state before the Committee on Appropriations that this policy was the policy of coercive appropriations and should be stopped. In view of these increasing deficiency estimates the chairman of the Committee on Appropriations, the Hon. James A. Hemenway, now serving in the United States Senate, reported in one of the general appropriation bills at the last session of the Fifty-eighth Congress a provision requiring the heads of the Departments at the beginning of each fiscal year to apportion appropriations, by monthly allotment, or otherwise, so as to prevent a deficiency, and that such apportionment when made could not be waived except by the head of the department. The waiver was required to be in writing, stating the reasons therefor.

At the beginning of this session, when the deficiency estimates were presented, it was discovered that this act was defective in that it did not restrict the waiver of the apportionment beyond the giving of a reason. This enabled the head of the Department to waive the apportionment for any reason, and proceed to expend the appropriation regardless of whether such expenditure would create a deficiency or not. In some instances it was stated as a reason for waiving the apportionment that Congress had failed to appropriate the amount estimated by the Department to be necessary for a specific service, and the amount appropriated for the entire year having been practically all expended at the end of the third quarter, Congress was obliged to appropriate the remaining quarter or suspend the service.

To correct this, and to prevent the Departments from determining how much should be expended for the public service regardless of the amount appropriated, the first appropriation bill reported at this session of Congress amended this so-called anti-deficiency law by expressly providing that the apportionment, when made, shall not be waived except upon the happening of some emergency or unusual circumstance which could not be reasonably anticipated at the time of making the apportionment. While the law as it was enacted by the Fifty-eighth Congress had a very salutary effect in preventing deficiencies, as it enabled this Congress to reject many deficiencies that otherwise might have been appropriated for, nevertheless it is believed that this law as amended at this session will practically wipe out all de-

iciencies in annual appropriations that must be apportioned, except in case of an emergency or other unusual circumstance which could not be anticipated either by the Department or by Congress.

The penalties which are imposed by this law on account of the failure to comply with it are such that it is believed that those who are charged with the responsibility of expending appropriations will so administer the service under their jurisdiction as to keep their expenditures within the amounts appropriated for the entire year.

There have been reported in other appropriation bills many legislative provisions, many of which have been enacted into law, restrictive in their character and imposing limitations upon departmental officers that will tend to improve administrative methods and effect economy in the public expenditures.

One provision reported in the legislative, executive, and judicial appropriation bill is worthy of special mention. It is the provision enacted to put a stop to the practice of the several Executive Departments of the Government competing with each other for clerical services. It will have the effect also of preventing the demoralization which now happens as a result of clerks, as soon as they are appointed in one Department, seeking positions in another Department where the compensation is greater than that in the Department in which they are employed. This provision prohibits the transfer of any clerk from one Department to another until he has served in the Department from which he desires to be transferred at least three years.

Another, and still more important provision, as viewed by the Committee on Appropriations, is the one which is now a law as a part of the Sundry Civil appropriation act, requiring the heads of each Department in the future to report to the Secretary of the Treasury, within thirty days after the close of every fiscal year, a statement of all money received by them during the previous fiscal year for or on account of the public service or in any other manner in the discharge of their official duties, other than as salaries or compensation, which was not paid into the general Treasury of the United States, together with a detailed account of all payments, if any made from such funds during said year.

It was ascertained by the Committee on Appropriations in the course of its investigations that in some fiscal years many millions of dollars, representing proceeds of public property or money derived from some source on account of the public service, was being handled by Department officials without any account of the same being taken as a part of the receipts or expenditures of the Government. The fact that no dishonesty or irregularity has occurred because of this unbusinesslike method in the public service did not argue, in the opinion of the committee, that this effective precaution should not be taken against the possibility of breach of trust encouraged, or at least not guarded against, by the law.

While the expenditures of our Government are constantly increasing, and while the appropriations made therefor by Congress are in the aggregate very large, yet when we take into consideration the marvelous growth of the country, the extent to which the people demand that the Federal Government shall perform services that should be paid by the States, none but the unthinking or misguided who do not stop to consider the care with which the estimates for appropriations for the public service are scrutinized by the several committees having jurisdiction of appropriation bills can find any reason to criticise appropriations made during this session of Congress.

During the seven months of this session the Committee on Appropriations has spent practically all of the time in endeavoring to ascertain what appropriations can be eliminated without detriment to the public service, and what changes in administration should be made to reduce expenditures. The hearings on the several appropriation bills reported from the general Committee on Appropriations during this session cover nearly 4,000 printed pages, and comprise three large volumes. These hearings have been more extensive during this session than in any previous Congress—all for the purpose of avoiding unnecessary or extravagant appropriations.



Notwithstanding the aggregate amount of our public expenditures and the aggregate amount of the appropriations therefor, the per capita cost of Government in the United States, including Federal and State, is less than that in any European country, as shown by figures derived from authentic sources.

The following table gives a succinct history of the appropriation bills for the session, showing the estimates submitted, the bills as reported and passed by the House, as reported to and passed by the Senate, and as finally enacted, together with the amounts of the laws for the previous fiscal year:

## A TWO BILLION CONGRESS?

From New York Times (Democratic), June 30, 1906.

Are we a "two-billion-dollar country?" That is the question suggested by the dispatches from Washington as to the appropriations for the Fifty-ninth Congress and the recollection of the remark of the late Speaker Reed when the public mind was excited over appropriations of half that amount. The answer to The question is that we have not really reached the two-billion mark by a very considerable margin, but that the growth and prosperity of the country do pretty fairly correspond to the actual increase in expenditure.

The figures that have so far been made as a basis for the calculation of two billions for the two sessions of the present Congress include nearly \$200,000,000 for each year for the Post Office Department, almost the whole of which is returned to the Treasury. Making this deduction, we find that while the appropriations may amount to some \$1,839,000,000, the expenditures will be less than \$1,500,000,000. Frankly, we do not think that such a sum is out of proportion to the general condition and the needs of the country. It is considerably less than \$10 a head for the population each year.

## AMERICA BECOMES FIRST.

Goes Ahead of Great Britain as Leading Export Nation.

The calendar year 1905 witnessed wonderful strides in the commercial transactions of the leading nations. Most noteworthy was the revelation that the United States, which, in 1904, ranked second as an export nation, last year took first rank, and again stands, as in 1903, with the record of selling more goods than any other country in the world. The total imports and exports of merchandise of the principal countries from which they are available, with comparative figures for the previous year, have been tabulated by the British Board of Trade, and are here presented. These figures do not include re-exports:

Countries.	Imports		Exports	
	1904.	1905.	1904.	1905.
Germany .....	\$1,548,549,000	\$1,637,577,000	\$1,270,799,000	\$1,359,077,000
Belgium .....	520,170,000	561,643,000	403,725,000	425,600,000
France .....	876,423,000	909,817,000	866,422,000	926,917,000
Switzerland .....	234,740,000	256,752,000	171,559,000	186,460,000
Spain .....	162,380,000	190,523,000	164,794,000	170,848,000
Italy .....	372,526,000	404,576,000	310,916,000	332,358,000
Austria-Hungary...	415,254,000	437,557,000	423,522,000	439,625,000
Egypt .....	102,659,000	107,676,000	103,914,000	101,661,000
United States.....	1,050,259,000	1,195,470,000	1,445,462,000	1,621,581,000
Japan .....	184,212,000	242,269,000	156,852,000	158,122,000
British India .....	309,811,000	323,836,000	510,934,000	499,546,000
Canada .....	245,179,000	261,462,000	188,723,000	210,875,000
United Kingdom...	2,339,492,000	2,372,326,000	1,463,410,000	1,606,057,000



FOOTNOTES FOR PRECEDING PAGE.

\*One-half of the amounts for the District of Columbia payable by the United States, except amounts for the Water Department (estimated for 1907 at \$164,166), which are payable from the revenues of the Water Department.

†Includes all expenses of the postal service payable from postal revenues and out of the Treasury.

‡No amount is estimated for rivers and harbors for 1907 except the sum of \$14,000,000 to meet contracts authorized by law for river and harbor improvements included in the sundry civil estimates for 1907.

§No river and harbor act was passed for 1907.

||In addition to this amount, the sum of \$10,544,132 is appropriated in the sundry civil act to carry out contracts authorized by law for river and harbor improvements for 1906.

¶This amount includes \$14,000,000 to meet contracts authorized by law for river and harbor improvements for 1907.

\*\*This amount includes \$17,318,976.14 to carry out contracts authorized by law for river and harbor improvements and \$25,456,415.08 for construction of the Isthmian canal for 1907.

††This amount includes \$10,544,132 to carry out contracts authorized by law for river and harbor improvements for 1906.

‡‡This amount is approximated.

§§This amount includes \$10,250,000 under the Oklahoma and New Mexico act, and \$10,321,600 for new public buildings, and is approximated.

||||In addition to this amount the sum of \$25,456,415.08 is appropriated in the sundry civil act and \$5,990,786 in the urgent deficiency act, making the total appropriations passed at this season for the Isthmian canal \$42,447,201.08.

¶¶¶This is the amount submitted by the Secretary of the Treasury in the annual estimates for the fiscal year 1907, the exact amount appropriated not being ascertainable until two years after the close of the fiscal year. This amount includes estimated amount of \$57,000,000 to meet sinking-fund obligations for 1907, and \$22,000,000 estimated redemptions of national-bank notes in 1907 out of deposits by banks for that purpose.

\*\*\*This sum includes approximately \$31,000,000 not included in formal estimates from the Departments to Congress.



## RAILROAD RATE ACT.

An Act To amend an Act entitled "An Act to regulate commerce," approved February fourth, eighteen hundred and eighty-seven, and all Acts amendatory thereof, and to enlarge the powers of the Interstate Commerce Commission.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section one of an Act entitled "An Act to regulate commerce," approved February fourth, eighteen hundred and eighty-seven, be amended so as to read as follows:

"Sec. 1. That the provisions of this Act shall apply to any corporation or any person or persons engaged in the transportation of oil or other commodity, except water and except natural or artificial gas, by means of pipe lines, or partly by pipe lines and partly by railroad, or partly by pipe lines and partly by water, who shall be considered and held to be common carriers within the meaning and purpose of this Act, and to any common carrier or carriers engaged in the transportation of passengers or property wholly by railroad (or partly by railroad and partly by water when both are used under a common control, management, or arrangement for a continuous carriage or shipment), from one State or Territory of the United States, or the District of Columbia, to any other State or Territory of the United States, or the District of Columbia, or from one place in a Territory to another place in the same Territory, or from any place in the United States to an adjacent foreign country, or from any place in the United States through a foreign country to any other place in the United States, and also to the transportation in like manner of property shipped from any place in the United States to a foreign country and carried from such place to a port of transshipment, or shipped from a foreign country to any place in the United States and carried to such place from a port of entry either in the United States or an adjacent foreign country: *Provided, however,* That the provisions of this Act shall not apply to the transportation of passengers or property, or to the receiving, delivering, storage, or handling of property wholly within one State and not shipped to or from a foreign country from or to any State or Territory as aforesaid.

"The term 'common carrier' as used in this Act shall include express companies and sleeping-car companies. The term 'railroad,' as used in this Act, shall include all bridges and ferries used or operated in connection with any railroad, and also all the road in use by any corporation operating a railroad, whether owned or operated under a contract, agreement, or lease, and shall also include all switches, spurs, tracks, and terminal facilities of every kind used or necessary in the transportation of the persons or property designated herein, and also all freight depots, yards, and grounds used or necessary in the transportation or delivery of any of said property; and the term 'transportation' shall include cars and other vehicles and all instrumentalities and facilities of shipment or carriage, irrespective of ownership or of any contract, express or implied, for the use thereof and all services in connection with the receipt, delivery, elevation, and transfer in transit, ventilation, refrigeration or icing, storage, and handling of property transported; and it shall be the duty of every carrier subject to the provisions of this Act to provide and furnish such transportation upon reasonable request therefor, and to establish through routes and just and reasonable rates applicable thereto.

"All charges made for any service rendered or to be rendered in the transportation of passengers or property as aforesaid, or in connection therewith, shall be just and reasonable; and every unjust and unreasonable charge for such service or any part thereof is prohibited and declared to be unlawful.

"No common carrier subject to the provisions of this Act, shall, after January first, nineteen hundred and seven, directly or indirectly, issue or give any interstate free ticket, free pass, or free transportation for passengers, except to its employees and their families, its officers, agents, surgeons, physicians, and attorneys at law; to ministers of religion, traveling secretaries of railroad Young Men's Christian Associations, inmates of hospi-

tals and charitable and eleemosynary institutions, and persons exclusively engaged in charitable and eleemosynary work; to indigent, destitute and homeless persons, and to such persons when transported by charitable societies or hospitals, and the necessary agents employed in such transportation; to inmates of the National Homes or State Homes for Disabled Volunteer Soldiers, and of Soldiers' and Sailors' Homes, including those about to enter and those returning home after discharge and boards of managers of such Homes; to necessary caretakers of live stock, poultry, and fruit; to employees on sleeping cars, express cars, and to linemen of telegraph and telephone companies; to Railway Mail Service employees, post-office inspectors, customs inspectors and immigration inspectors; to newsboys on trains, baggage agents, witnesses attending any legal investigation in which the common carrier is interested, persons injured in wrecks and physicians and nurses attending such persons: *Provided*, That this provision shall not be construed to prohibit the interchange of passes for the officers, agents, and employees of common carriers, and their families; nor to prohibit any common carrier from carrying passengers free with the object of providing relief in cases of general epidemic, pestilence, or other calamitous visitation. Any common carrier violating this provision shall be deemed guilty of a misdemeanor and for each offense, on conviction, shall pay to the United States a penalty of not less than one hundred dollars nor more than two thousand dollars, and any person, other than the persons excepted in this provision, who uses any such interstate free ticket, free pass, or free transportation, shall be subject to a like penalty. Jurisdiction of offenses under this provision shall be the same as that provided for offenses in an Act entitled 'An Act to further regulate commerce with foreign nations and among the States,' approved February nineteenth, nineteen hundred and three, and any amendment thereof.

"From and after May first, nineteen hundred and eight, it shall be unlawful for any railroad company to transport from any State, Territory, or the District of Columbia, to any other State, Territory, or the District of Columbia, or to any foreign country, any article or commodity, other than timber and the manufactured products thereof, manufactured, mined, or produced by it, or under its authority, or which it may own in whole, or in part, or in which it may have any interest direct or indirect except such articles or commodities as may be necessary and intended for its use in the conduct of its business as a common carrier.

"Any common carrier subject to the provisions of this Act, upon application of any lateral, branch line of railroad, or of any shipper tendering interstate traffic for transportation, shall construct, maintain, and operate upon reasonable terms a switch connection with any such lateral, branch line of railroad, or private side track which may be constructed to connect with its railroad, where such connection is reasonably practicable and can be put in with safety and will furnish sufficient business to justify the construction and maintenance of the same; and shall furnish cars for the movement of such traffic to the best of its ability without discrimination in favor of or against any such shipper. If any common carrier shall fail to install and operate any such switch or connection as aforesaid, on application therefor in writing by any shipper, such shipper may make complaint to the Commission, as provided in section thirteen of this Act, and the Commission shall hear and investigate the same and shall determine as to the safety and practicability thereof and justification and reasonable compensation therefor and the Commission may make an order, as provided in section fifteen of this Act, directing the common carrier to comply with the provisions of this section in accordance with such order, and such order shall be enforced as hereinafter provided for the enforcement of all other orders by the Commission, other than orders for the payment of money."

Sec. 2. That section six of said Act, as amended March second, eighteen hundred and eighty-nine, be amended so as to read as follows:

"Sec. 6. That every common carrier subject to the provisions



of this Act shall file with the Commission created by this Act and print and keep open to public inspection schedules showing all the rates, fares and charges for transportation between different points on its own route and between points on its own route and points on the route of any carrier by railroad, by pipe line, or by water when a through route and joint rate have been established. If no joint rate over the through route has been established, the several carriers in such through route shall file, print and keep open to public inspection as aforesaid, the separately established rates, fares and charges applied to the through transportation. The schedules printed as aforesaid by any such common carrier shall plainly state the places between which property and passengers will be carried, and shall contain the classification of freight in force, and shall also state separately all terminal charges, storage charges, icing charges, and all other charges which the Commission may require, all privileges or facilities granted or allowed and any rules or regulations which in anywise change, affect, or determine any part or the aggregate of such aforesaid rates, fares and charges, or the value of the service rendered to the passenger, shipper, or consignee. Such schedules shall be plainly printed in large type, and copies for the use of the public shall be kept posted in two public and conspicuous places in every depot, station, or office, of such carrier where passengers or freight, respectively, are received for transportation, in such form that they shall be accessible to the public and can be conveniently inspected. The provisions of this section shall apply to all traffic, transportation, and facilities defined in this Act.

"Any common carrier subject to the provisions of this Act receiving freight in the United States to be carried through a foreign country to any place in the United States shall also in like manner print and keep open to public inspection, at every depot or office where such freight is received for shipment, schedules showing the through rates established and charged by such common carrier to all points in the United States beyond the foreign country to which it accepts freight for shipment; and any freight shipped from the United States through a foreign country into the United States the through route on which shall have been made public, as required by this Act, shall, before it is admitted into the United States from said foreign country, be subject to customs duties as if said freight were of foreign production.

"No change shall be made in the rates, fares, and charges or joint rates, fares, and charges which have been filed and published by any common carrier in compliance with the requirements of this section, except after thirty days' notice to the Commission and to the public published as aforesaid, which shall plainly state the changes proposed to be made in the schedule then in force and the time when the changed rates, fares, or charges will go into effect; and the proposed changes shall be shown by printing new schedules, or shall be plainly indicated upon the schedules in force at the time and kept open to public inspection: *Provided*, That the Commission may, in its discretion and for the good cause shown, allow changes upon less than the notice herein specified, or modify the requirements of this section in respect to publishing, posting, and filing of tariffs, either in particular instances or by general order applicable to special or peculiar circumstances or conditions.

"The names of the several carriers which are parties to any joint tariff shall be specified therein, and each of the parties thereto, other than the one filing the same, shall file with the Commission such evidence of concurrence therein or acceptance thereof as may be required or approved by the Commission, and where such evidence of concurrence or acceptance is filed it shall not be necessary for the carriers filing the same to also file copies of the tariffs in which they are named as parties.

"Every common carrier subject to this Act shall also file with said Commission copies of all contracts, agreements, or arrangements with other common carriers in relation to any traffic affected by the provisions of this Act to which it may be a party.

"The Commission may determine and prescribe the form in which the schedules required by this section to be kept open to



public inspection shall be prepared and arranged and may change the form from time to time as shall be found expedient.

"No carrier, unless otherwise provided by this Act, shall engage or participate in the transportation of passengers or property, as defined in this Act, unless the rates, fares, and charges upon which the same are transported by said carrier have been filed and published in accordance with the provisions of this Act; nor shall any carrier charge or demand or collect or receive a greater or less or different compensation for such transportation of passengers or property, or for any service in connection therewith, between the points named in such tariffs than the rates, fares, and charges which are specified in the tariff filed and in effect at the time; nor shall any carrier refund or remit in any manner or by any device any portion of the rates, fares, and charges so specified, nor extend to any shipper or person any privileges or facilities in the transportation of passengers or property, except such as are specified in such tariffs: *Provided*, That wherever the word 'carrier' occurs in this Act it shall be held to mean 'common carrier.'

"That in time of war or threatened war preference and precedence shall, upon the demand of the President of the United States, be given, over all other traffic, to the transportation of troops and material of war, and carriers shall adopt every means within their control to facilitate and expedite the military traffic."

That section one of the Act entitled "An act to further regulate commerce with foreign nations and among the States," approved February nineteenth, nineteen hundred and three, be amended so as to read as follows:

"That anything done or omitted to be done by a corporation common carrier, subject to the Act to regulate commerce and the Acts amendatory thereof, which, if done or omitted to be done by any director or officer thereof, or any receiver, trustee, lessee, agent, or person acting for or employed by such corporation, would constitute a misdemeanor under said Acts or under this Act, shall also be held to be a misdemeanor committed by such corporation, and upon conviction thereof it shall be subject to like penalties as are prescribed in said Acts or by this Act with reference to such persons, except as such penalties are herein changed. The willful failure upon the part of any carrier subject to said Acts to file and publish the tariffs or rates and charges as required by said Acts, or strictly to observe such tariffs until changed according to law, shall be a misdemeanor, and upon conviction thereof the corporation offending shall be subject to a fine of not less than one thousand dollars nor more than twenty thousand dollars for each offense; and it shall be unlawful for any person, persons, or corporation to offer, grant, or give, or to solicit, accept, or receive any rebate, concession, or discrimination in respect to the transportation of any property in interstate or foreign commerce by any common carrier subject to said Act to regulate commerce and the Acts amendatory thereof whereby any such property shall by any device whatever be transported at a less rate than that named in the tariffs published and filed by such carrier, as is required by said Act to regulate commerce and the Acts amendatory thereof, or whereby any other advantage is given or discrimination is practiced. Every person or corporation, whether carrier or shipper, who shall, knowingly, offer, grant, or give, or solicit, accept, or receive any such rebates, concession, or discrimination shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine of not less than one thousand dollars nor more than twenty thousand dollars. *Provided*, That any person, or any officer or director of any corporation subject to the provisions of this Act, or the Act to regulate commerce and the Acts amendatory thereof, or any receiver, trustee, lessee, agent, or person acting for or employed by any such corporation, who shall be convicted as aforesaid, shall, in addition to the fine herein provided for, be liable to imprisonment in the penitentiary for a term of not exceeding two years, or both such fine and imprisonment, in the discretion of the court. Every violation of this section shall be prosecuted in any court of the United States having jurisdiction of crimes within the district in which such violation was committed, or through which the transportation may have been con-

ducted; and whenever the offense is begun in one jurisdiction and completed in another it may be dealt with, inquired of, tried, determined, and punished in either jurisdiction in the same manner as if the offense had been actually and wholly committed therein.

"In construing and enforcing the provisions of this section, the act, omission, or failure of any officer, agent, or other person acting for or employed by any common carrier, or shipper, acting within the scope of his employment, shall in every case be also deemed to be the act, omission, or failure of such carrier or shipper, as well as that of the person. Whenever any carrier files with the Interstate Commerce Commission or publishes a particular rate under the provisions of the Act to regulate commerce or Acts amendatory thereof, or participates in any rates so filed or published, that rate as against such carrier, its officers or agents, in any prosecution begun under this Act shall be conclusively deemed to be the legal rate, and any departure from such rate, or any offer to depart therefrom, shall be deemed to be an offense under this section of this Act.

"Any person, corporation, or company who shall deliver property for interstate transportation to any common carrier, subject to the provisions of this Act, or for whom as consignor or consignee, any such carrier shall transport property from one State, Territory, or the District of Columbia to any other State, Territory, or the District of Columbia or foreign country, who shall knowingly by employee, agent, officer, or otherwise, directly or indirectly, by or through any means or device whatsoever, receive or accept from such common carrier any sum of money or any other valuable consideration as a rebate or offset against the regular charges for transportation of such property, as fixed by the schedules of rate provided for in this Act, shall in addition to any penalty provided by this Act forfeit to the United States a sum of money three times the amount of money so received or accepted and three times the value of any other consideration so received or accepted, to be ascertained by the trial court; and the Attorney-General of the United States is authorized and directed, whenever he has reasonable grounds to believe that any such person, corporation, or company has knowingly received or accepted from any such common carrier any sum of money or other valuable consideration as a rebate or offset as aforesaid, to institute in any court of the United States of competent jurisdiction, a civil action to collect the said sum or sums so forfeited as aforesaid; and in the trial of said action all such rebates or other considerations so received or accepted for a period of six years prior to the commencement of the action, may be included therein, and the amount recovered shall be three times the total amount of money, or three times the total value of such consideration, so received or accepted, or both, as the case may be."

Sec. 3. That section fourteen of said Act, as amended March second, eighteen hundred and eighty-nine, be amended so as to read as follows:

"Sec. 14. That whenever an investigation shall be made by said Commission, it shall be its duty to make a report in writing in respect thereto, which shall state the conclusions of the Commission, together with its decision, order or requirement in the premises; and in case damages are awarded such report shall include the findings of fact on which the award is made.

"All reports of investigations made by the Commission shall be entered of record, and a copy thereof shall be furnished to the party who may have complained, and to any common carrier that may have been complained of.

"The Commission may provide for the publication of its reports and decisions in such form and manner as may be best adapted for public information and use, and such authorized publications shall be competent evidence of the reports and decisions of the Commission therein contained in all courts of the United States and of the several States without any further proof or authenticity thereof. The Commission may also cause to be printed for early distribution its annual reports."

Sec. 4. That section fifteen of said Act be amended so as to read as follows:



"Sec. 15. That the Commission is authorized and empowered, and it shall be its duty, whenever, after full hearing upon a complaint made as provided in section thirteen of this Act, or upon complaint of any common carrier, it shall be of the opinion that any of the rates, or charges whatsoever, demanded, charged, or collected by any common carrier or carriers, subject to the provisions of this Act, for the transportation of persons or property as defined in the first section of this Act, or that any regulations or practices whatsoever of such carrier or carriers affecting such rates, are unjust and unreasonable, or unjustly discriminatory, or unduly preferential or prejudicial, or otherwise in violation of any of the provisions of this Act, to determine and prescribe what will be the just and reasonable rate or rates, charge or charges, to be thereafter observed in such case as the maximum to be charged; and what regulation or practice in respect to such transportation is just, fair, and reasonable to be thereafter followed; and to make an order that the carrier shall cease and desist from such violation, to the extent to which the Commission find the same to exist, and shall not thereafter publish, demand, or collect any rate or charge for such transportation in excess of the maximum rate or charge so prescribed. All shall conform to the regulation or practice so prescribed. All orders of the Commission, except orders for the payment of money, shall take effect within such reasonable time, not less than thirty days, and shall continue in force for such period of time, not exceeding two years, as shall be prescribed in the order of the Commission unless the same shall be suspended or modified or set aside by the Commission or be suspended or set aside by a court of competent jurisdiction. Whenever the carrier or carriers, in obedience to such order of the Commission or otherwise, in respect to joint rates, fares, or charges, shall fail to agree among themselves upon the apportionment or division thereof, the Commission may after hearing make a supplemental order prescribing the just and reasonable proportion of such joint rate to be received by each carrier party thereto, which order shall take effect as a part of the original order.

"The Commission may also, after hearing on a complaint, establish through routes and joint rates as the maximum to be charged and prescribe the division of such rates as hereinbefore provided, and the terms and conditions under which such through routes shall be operated, when that may be necessary to give effect to any provision of this Act, and the carriers complained of have refused or neglected to voluntarily establish such through routes and joint rates, provided no reasonable or satisfactory through route exists, and this provision shall apply when one of the connecting carriers is a water line.

"If the owner of property transported under this Act directly or indirectly renders any service connected with such transportation, or furnishes any instrumentality used therein, the charge and allowance therefor shall be no more than is just and reasonable, and the Commission may, after a hearing on a complaint, determine what is a reasonable charge as the maximum to be paid by the carrier or carriers for the service so rendered or for the use of the instrumentality so furnished, and fix the same by appropriate order, which order shall have the same force and effect and be enforced in like manner as the orders above provided for in this section.

"The foregoing enumeration of powers shall not exclude any power which the Commission would otherwise have in the making of an order under the provisions of this Act."

Sec. 5. That section sixteen of said Act, as amended March second, eighteen hundred and eighty-nine, be amended so as to read as follows:

"Sec. 16. That, if after hearing on a complaint made as provided in section thirteen of this Act, the Commission shall determine that any party complainant is entitled to an award of damages under the provisions of this Act for a violation thereof, the Commission shall make an order directing the carrier to pay to the complainant the sum to which he is entitled on or before a day named.

"If a carrier does not comply with an order for the payment of money within the time limit in such order, the complainant, or,

any person for whose benefit such order was made, may file in the circuit court of the United States for the district in which he resides or in which is located the principal operating office of the carrier, or through which the road of the carrier runs, a petition setting forth briefly the causes for which he claims damages, and the order of the Commission in the premises. Such suit shall proceed in all respect like other civil suit damages, except that on the trial of such suit the findings and order of the Commission shall be prima facie evidence of the facts therein stated, and except that the petitioner shall not be liable for costs in the circuit court nor for costs at any subsequent stage of the proceedings unless they accrue upon his appeal. If the petitioner shall finally prevail he shall be allowed a reasonable attorney's fee, to be taxed and collected as a part of the costs of the suit. All complaints for the recovery of damages shall be filed with the Commission within two years from the time the cause of action accrues, and not after, and a petition for the enforcement of an order for the payment of money shall be filed in the circuit court within one year from the date of the order, and not after: Provided, That claims accrued prior to the passage of this Act may be presented within one year.

"In such suits all parties in whose favor the Commission may have made an award for damages by a single order may be joined as plaintiffs, and all the carriers parties to such order awarding such damages may be joined as defendants, and such suit may be maintained by such joint plaintiffs and against such joint defendants in any district where any one of such joint plaintiffs could maintain such suit against any one of such joint defendants; and service of process against any one of such defendants as may not be found in the district where the suit is brought may be made in any district where such defendant carrier has its principal operating office. In case of such joint suit the recovery, if any, may be by judgment in favor of any one of such plaintiffs, against the defendant found to be liable to such plaintiff.

"Every order of the Commission shall be forthwith served by mailing to any one of the principal officers or agents of the carrier at his usual place of business a copy thereof; and the registry mail receipt shall be prima facie evidence of the receipt of such order by the carrier in due course of mail.

"The Commission shall be authorized to suspend or modify its orders upon such notice and in such manner as it shall deem proper.

"It shall be the duty of every common carrier, its agents and employees, to observe and comply with such orders so long as the same shall remain in effect.

"Any carrier, any officer, representative, or agent of a carrier, or any receiver, trustee, lessee, or agent of either of them, who knowingly fails or neglects to obey any order made under the provisions of section fifteen of this Act, shall forfeit to the United States the sum of five thousand dollars for each offense. Every distinct violation shall be a separate offense, and in case of a continuing violation each day shall be deemed a separate offense.

"The forfeiture provided for in this Act shall be payable into the Treasury of the United States, and shall be recoverable in a civil suit in the name of the United States, brought in the district where the carrier has its principal operating office, or in any district through which the road of the carrier runs.

"It shall be the duty of the various district attorneys, under the direction of the Attorney-General of the United States, to prosecute for the recovery of forfeitures. The costs and expenses of such prosecution shall be paid out of the appropriation for the expenses of the courts of the United States. The Commission may, with the consent of the Attorney-General, employ special counsel in any proceeding under this Act, paying the expenses of such employment out of its own appropriation.

"If any carrier fails or neglects to obey any order of the Commission, other than for the payment of money, while the same is in effect, any party injured thereby, or the Commission in its own name, may apply to the circuit court in the district where such carrier has its principal operating office, or in which the violation or disobedience of such order shall happen, for an enforcement of such order. Such application shall be by petition, which



shall state the substance of the order and the respect in which the carrier has failed of obedience, and shall be served upon the carrier in such manner as the court may direct, and the court shall prosecute such inquiries and make such investigations, through such means as it shall deem needful in the ascertainment of the facts at issue or which may arise upon the hearing of such petition. If, upon such hearing as the court may determine to be necessary, it appears that the order was regularly made and duly served, and that the carrier is in disobedience of the same, the court shall enforce obedience to such order by a writ of injunction, or other proper process, mandatory or otherwise, to restrain such carrier, its officers, agents, or representatives, from further disobedience of such order, or to enjoin upon it, or them, obedience to the same; and in the enforcement of such process the court shall have those powers ordinarily exercised by it in compelling obedience to its writs of injunction and mandamus.

"From any action upon such petition an appeal shall lie by either party to the Supreme Court of the United States, and in such court the case shall have priority in hearing and determination over all other causes except criminal causes, but such appeal shall not vacate or suspend the order appealed from.

"The venue of suits brought in any of the circuit courts of the United States against the Commission to enjoin, set aside, annul, or suspend any order or requirement of the Commission shall be in the district where the carrier against whom such order or requirement may have been made has its principal operating office, and may be brought at any time after such order is promulgated. And if the order of requirement has been made against two or more carriers then in the district where any one of said carriers has its principal operating office, and if the carrier has its principal operating office in the District of Columbia, then the venue shall be in the district where said carrier has its principal office; and jurisdiction to hear and determine such suits is hereby vested in such courts. The provisions of 'An Act to expedite the hearing and determination of suits in equity, and so forth,' approved February eleventh, nineteen hundred and three, shall be, and are hereby, made applicable to all such suits, including the hearing on an application for a preliminary injunction, and are also made applicable to any proceeding in equity to enforce any order or requirement of the Commission, or any of the provisions of the Act to regulate commerce approved February fourth, eighteen hundred and eighty-seven, and all Acts amendatory thereof or supplementary thereto. It shall be the duty of the Attorney-General in every such case to file the certificate provided for in said expediting Act of February eleventh, nineteen hundred and three, as necessary to the application of the provisions thereof, and upon appeal as therein authorized to the Supreme Court of the United States, the case shall have in such court priority in hearing and determination over all other causes except criminal causes: *Provided*, That no injunction, interlocutory order or decree suspending or restraining the enforcement of an order of the Commission shall be granted except on hearing after not less than five days' notice to the Commission. An appeal may be taken from any interlocutory order or decree granting or continuing an injunction in any suit, but shall lie only to the Supreme Court of the United States: *Provided further*, That the appeal must be taken within thirty days from the entry of such order or decree and it shall take precedence in the appellate court over all other causes, except causes of like character and criminal causes.

"The copies of schedules and tariff of rates, fares, and charges, and of all contracts, agreements, or arrangements between common carriers filed with the Commission as herein provided, and the statistics, tables and figures contained in the annual reports of carriers made to the Commission, as required by the provisions of this Act, shall be preserved as public record in the custody of the secretary of the Commission, and shall be received as prima facie evidence of what they purport to be for the purpose of investigations by the Commission and in all judicial proceedings; and copies of or extracts from any of said schedules, tariffs, contracts, agreements, arrangements, or reports made public records as aforesaid, certified by the secretary under its

seal shall be received in evidence with like effect as the originals."

Sec. 6. That a new section be added to said Act immediately after section sixteen, to be numbered as section sixteen a, as follows:

"Sec. 16a. That after a decision, order, or requirement has been made by the Commission in any proceeding any party thereto may at any time make application for rehearing of the same, or any matter determined therein, and it shall be lawful for the Commission in its discretion to grant such a rehearing if sufficient reason therefor be made to appear. Applications for rehearing shall be governed by such general rules as the Commission may establish. No such application shall excuse any carrier from complying with or obeying any decision, order, or requirement of the Commission, or operate in any manner to stay or postpone the enforcement thereof, without the special order of the Commission. In case a rehearing is granted the proceedings thereupon shall conform as nearly as may be to the proceedings in an original hearing, except as the Commission may otherwise direct; and if, in its judgment, after such rehearing and the consideration of all facts, including those arising since the former hearing, it shall appear that the original decision, order, or requirement is in any respect unjust or unwarranted, the Commission may reverse, change, or modify the same accordingly. Any decision, order, or requirement made after such rehearing, reversing, changing, or modifying the original determination shall be subject to the same provisions as an original order."

Sec. 7. That section twenty of said Act be amended so as to read as follows:

"Sec. 20. That the Commission is hereby authorized to require annual reports from all common carriers subject to the provisions of this Act, and from the owners of all railroads engaged in interstate commerce as defined in this Act, to prescribe the manner in which such reports shall be made, and to require from such carriers specific answers to all questions upon which the Commission may need information. Such annual reports shall show in detail the amount of capital stock issued, the amounts paid therefor and the manner of payment for the same; the dividends paid, the surplus fund, if any, and the number of stockholders; the funded and floating debts and the interest paid thereon; the cost and value of the carrier's property, franchises, and equipments; the number of employees and the salaries paid each class; the accidents to passengers, employees, and other persons, and causes thereof; the amounts expended for improvements each year, how expenses, and the character of such improvements; the earnings and receipts from each branch of business and from all sources; the operating and other expenses; the balances of profit and loss; and a complete exhibit of the financial operations of the carrier each year, including an annual balance sheet. Such reports shall also contain such information in relation to rates or regulations concerning fares or freights, or agreements, arrangements, or contracts affecting the same, as the Commission may require; and the Commission may, in its discretion, for the purpose of enabling it the better to carry out the purposes of this Act, prescribe a period of time within which all common carriers subject to the provisions of this Act shall have, as near as may be, a uniform system of accounts, and the manner in which such accounts shall be kept.

"Said detailed reports shall contain all the required statistics for the period of twelve months ending on the thirtieth day of June in each year, and shall be made out under oath and filed with the Commission, at its office in Washington, on or before the thirtieth day of September then next following, unless additional time be granted in any case by the Commission; and if any carrier, person, or corporation subject to the provisions of this Act shall fail to make and file said annual reports within the time above specified, or within the time extended by the Commission for making and filing the same, or shall fail to make specific answer to any question authorized by the provisions of this section within thirty days from the time it is lawfully required to do so, such parties shall forfeit to the United States the sum of one hundred dollar for each and every day it shall continue to



be in default with respect thereto. The Commission shall also have authority to require said carriers to file monthly reports of earnings and expenses or special reports within a specified period, and if any such carrier shall fail to file such reports within the time fixed by the Commission it shall be subject to the forfeitures last above provided.

"Said forfeitures shall be recovered in the manner provided for the recovery of forfeitures under the provisions of this Act.

"The oath required by this section may be taken before **any** person authorized to administer an oath by the laws of the State in which the same is taken.

"The Commission may, in its discretion, prescribe the forms of any and all accounts, records, and memoranda to be kept by carriers subject to the provisions of this Act, including the accounts, records, and memoranda of the movement of traffic as well as the receipts and expenditures of moneys. The Commission shall at all times have access to all accounts, records, and memoranda kept by carriers subject to this Act, and it shall be unlawful for such carriers to keep any other accounts, records, or memoranda than those prescribed or approved by the Commission, and it may employ special agents or examiners, who shall have authority under the order of the Commission to inspect and examine any and all accounts, records, and memoranda kept by such carriers. This provision shall apply to receivers of carriers and operating trustees.

"In case of failure or refusal on the part of any such carriers, receiver, or trustee to keep such accounts, records, and memoranda on the books and in the manner prescribed by the Commission, or to submit such accounts, record, and memoranda as are kept to the inspection of the Commission or any of its authorized agents or examiners, such carrier, receiver, or trustee shall forfeit to the United States the sum of five hundred dollars for each such offense and for each and every day of the continuance of such offense, such forfeitures to be recoverable in the same manner as other forfeitures provided for in this Act.

"Any person who shall willfully make any false entry in the accounts of any book of accounts or in any record or memoranda kept by a carrier, or who shall wilfully destroy, mutilate, alter, or by any other means or device falsify the record of any such account, record, or memoranda, or who shall wilfully neglect or fail to make full, true, and correct entries in such accounts, records, or memoranda of all facts and transactions appertaining to the carrier's business, or shall keep any other accounts, record, or memoranda than those prescribed or approved by the Commission, shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not less than one thousand dollars nor more than five thousand dollars, or imprisonment for a term not less than one year nor more than three years, or both such fine and imprisonment.

"Any examiner who divulges any fact or information which may come to his knowledge during the course of such examination, except in so far as he may be directed by the Commission, or by a court or judge thereof, shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not more than five thousand dollars or imprisonment for a term not exceeding two years, or both.

"That the circuit and district courts of the United States shall have jurisdiction, upon the application of the Attorney-General of the United States at the request of the Commission, alleging a failure to comply with or a violation of any of the provisions of said Act to regulate commerce or of any Act supplementary thereto or amendatory thereof by any common carrier, to issue a writ or writs of mandamus commanding such common carrier to comply with the provisions of said Acts, or any of them.

"And to carry and give effect to the provisions of said Acts, or any of them, the Commission is hereby authorized to employ special agents or examiners who shall have power to administer oaths, examine witnesses, and receive evidence.

"That any common carrier, railroad, or transportation company receiving property for transportation from a point in one State to a point in another State shall issue a receipt or bill of lading

therefor and shall be liable to the lawful holder thereof for any loss, damage, or injury to such property caused by it or by any common carrier, railroad, or transportation company to which such property may be delivered or over whose line or lines such property may pass, and no contract, receipt, rule, or regulation shall exempt such common carrier, railroad, or transportation company from the liability hereby imposed. *Provided*, That nothing in this section shall deprive any holder of such receipt or bill of lading of any remedy or right of action which he has under existing law.

"That the common carrier, railroad, or transportation company issuing such receipt or bill of lading shall be entitled to recover from the common carrier, railroad, or transportation company, on whose line the loss, damage, or injury shall have been sustained the amount of such loss, damage, or injury as it may be required to pay to the owners of such property, as may be evidenced by any receipt, judgment, or transcript thereof."

Sec. 8. That a new section be added to said Act at the end thereof, to be numbered as section twenty-four, as follows:

"Sec. 24. That the Interstate Commerce Commission is hereby enlarged so as to consist of seven members with terms of seven years, and each shall receive ten thousand dollars compensation annually. The qualifications of the Commissioners and the manner of the payment of their salaries shall be as already provided by law. Such enlargement of the Commission shall be accomplished through appointment by the President, by and with the advice and consent of the Senate, of two additional Interstate Commerce Commissioners, one for a term expiring December thirty-first, nineteen hundred and eleven, one for a term expiring December thirty-first, nineteen hundred and twelve. The terms of the present Commissioners, or of any successor appointed to fill a vacancy caused by the death or resignation of any of the present Commissioners, shall expire as heretofore provided by law. Their successors and the successors of the additional Commissioners herein provided for shall be appointed for the full term of seven years, except that any person appointed to fill a vacancy shall be appointed only for the unexpired term of the Commissioner whom he shall succeed. Not more than four Commissioners shall be appointed from the same political party."

Sec. 9. That all existing laws relating to the attendance of witnesses and the production of evidence and the compelling of testimony under the Act to regulate commerce and all Acts amendatory thereof shall apply to any and all proceedings and hearings under this Act.

Sec. 10. That all laws and parts of laws in conflict with the provisions of this Act are hereby repealed, but the amendments herein provided for shall not affect causes now pending in courts of the United States, but such causes shall be prosecuted to a conclusion in the manner heretofore provided by law.

Sec. 11. That this Act shall take effect and be in force from and after its passage.

Approved, June 29, 1906.

### Pure Food Act.

An Act For preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That it shall be unlawful for any person to manufacture within any Territory or the District of Columbia any article of food or drug which is adulterated or misbranded, within the meaning of this Act; and any person who shall violate any of the provisions of this section shall be guilty of a misdemeanor, and for each offense shall, upon conviction thereof, be fined not to exceed five hundred dollars or shall be sentenced to one year's imprisonment, or both such fine and imprisonment, in the discretion of the court, and for each subsequent offense and conviction thereof shall be fined not less than one thousand dollars or sentenced to one year's imprisonment, or both such fine and imprisonment, in the discretion of the court.



Sec. 2. That the introduction into any State or Territory or the District of Columbia from any other State or Territory or the District of Columbia, or from any foreign country, or shipment to any foreign country of any article of food or drugs which is adulterated or misbranded, within the meaning of this Act, is hereby prohibited; and any person who shall ship or deliver for shipment from any State or Territory or the District of Columbia, to any other State or Territory or the District of Columbia, or foreign country, and having so received, shall deliver, in original unbroken packages, for pay or otherwise, or offer to deliver to any person, any such article so adulterated or misbranded within the meaning of this Act, or any person who shall sell or offer for sale in the District of Columbia or the Territories of the United States any such adulterated or misbranded foods or drugs, or export or offer to export the same to any foreign country, shall be guilty of a misdemeanor, and for such offense be fined not exceeding two hundred dollars for the first offense, and upon conviction for each subsequent offense not exceeding three hundred dollars or be imprisoned not exceeding one year, or both, in the discretion of the court. *Provided*, That no article shall be deemed misbranded or adulterated within the provisions of this Act when intended for export to any foreign country and prepared or packed according to the specifications or directions of the foreign purchaser when no substance is used in the preparation or packing thereof in conflict with the laws of the foreign country to which said article is intended to be shipped; but if said article shall be in fact sold or offered for sale for domestic use or consumption, then this proviso shall not exempt said article from the operation of any of the other provisions of this Act.

Sec. 3. That the Secretary of the Treasury, the Secretary of Agriculture, and the Secretary of Commerce and Labor shall make uniform rules and regulations for carrying out the provisions of this Act, including the collection and examination of specimens of food and drugs manufactured or offered for sale in the District of Columbia, or in any Territory of the United States, or which shall be offered for sale in unbroken packages in any State other than that in which they shall have been respectively manufactured or produced, or which shall be received from any foreign country, or intended for shipment to any foreign country, or which may be submitted for examination by the chief health, food, or drug officer of any State, Territory, or the District of Columbia, or at any domestic or foreign port through which such product is offered for interstate commerce, or for export or import between the United States and any foreign port or country.

Sec. 4. That the examinations of specimens of foods and drugs shall be made in the Bureau of Chemistry of the Department of Agriculture, or under the direction and supervision of such Bureau, for the purpose of determining from such examinations whether such articles are adulterated or misbranded within the meaning of this Act; and if it shall appear from any such examination that any such specimens is adulterated or misbranded within the meaning of this Act, the Secretary of Agriculture shall cause notice thereof to be given to the party from whom such sample was obtained. Any party so notified shall be given an opportunity to be heard, under such rules and regulations as may be prescribed as aforesaid, and if it appears that any of the provisions of this Act have been violated by such party, then the Secretary of Agriculture shall at once certify the facts to the proper United States District Attorney, with a copy of the results of the analysis or the examination of such article duly authenticated by the analyst or officer making such examination, under the oath of such officer. After judgment of the court, notice shall be given by publication in such manner as may be prescribed by the rules and regulations aforesaid.

Sec. 5. That it shall be the duty of each district attorney to whom the Secretary of Agriculture shall report any violation of this Act, or to whom any health or food or drug officer or agent of any State, Territory, or the District of Columbia shall present satisfactory evidence of any such violation, to cause appropriate proceedings to be commenced and prosecuted in the proper courts

of the United States, without delay, for the enforcement of the penalties as in such case herein provided.

Sec. 6. That the term "drug," as used in this Act, shall include all medicines and preparations recognized in the United States Pharmacopœia or National Formulary for internal or external use, and any substance or mixture of substances intended to be used for the cure, mitigation, or prevention of disease of either man or other animals. The term "food," as used herein, shall include all articles used for food, drink, confectionery, or condiment by man or other animals, whether simple, mixed, or compound.

Sec. 7. That for the purposes of this Act an article shall be deemed to be adulterated:

In case of drugs:

First. If, when a drug is sold under or by a name recognized in the United States Pharmacopœia or National Formulary, it differs from the standard of strength, quality, or purity, as determined by the test laid down in the United States Pharmacopœia or National Formulary official at the time of investigation: *Provided*, That no drug defined in the United States Pharmacopœia or National Formulary shall be deemed to be adulterated under this provision if the standard of strength, quality, or purity be plainly stated upon the bottle, box, or other container thereof although the standard may differ from that determined by the test laid down in the United States Pharmacopœia or National Formulary.

Second. If this strength or purity fall below the professed standard or quality under which it is sold.

In the case of confectionery:

If it contain terra alba, barytes, talc, chrome yellow, or other mineral substance or poisonous color or flavor, or other ingredient deleterious or detrimental to health, or any vinous, malt or spirituous liquor or compound or narcotic drug.

In the case of food:

First. If any substance has been mixed and packed with it so as to reduce or lower or injuriously affect its quality or strength.

Second. If any substance has been substituted wholly or in part for the article.

Third. If any valuable constituent of the article has been wholly or in part extracted.

Fourth. If it be mixed, colored, powdered, coated, or stained in a manner whereby damage or inferiority is concealed.

Fifth. If it contain any added poisonous or other added deleterious ingredient which may render such article injurious to health: *Provided*, That when in the preparation of food products for shipment they are preserved by any external application applied in such manner that the preservative is necessarily removed mechanically, or by maceration in water, or otherwise, and directions for the removal of said preservative shall be printed on the covering of the package, the provisions of this Act shall be construed as applying only when said products are ready for consumption.

Sixth. If it consists in whole or in part of a filthy, decomposed, or putrid animal or vegetable substance, or any portion of an animal unfit for food, whether manufactured or not, or if it is the product of a diseased animal, or one that has died otherwise than by slaughter.

Sec. 8. That the term "misbranded," as used herein, shall apply to all drugs, or articles of food, or articles which enter into the composition of food, the package or label of which shall bear any statement, design, or device regarding such article, or the ingredients or substances contained therein which shall be false or misleading in any particular, and to any food or drug product which is falsely branded as to the State, Territory, or country in which it is manufactured or produced.

That for the purposes of this Act, an article shall also be deemed to be misbranded:

In case of drugs:

First. If it be an imitation of or offered for sale under the name of another article.

Second. If the contents of the package as originally put up shall have been removed, in whole or in part, and other contents



shall have been placed in such package, or if the package fail to bear a statement on the label of the quantity or proportion of any alcohol, morphine, opium, cocaine, heroin, alpha or beta eucaine, chloroform, cannabis indica, chloral hydrate, or acetanilide, or any derivative or preparation of any such substances contained therein.

In the case of food:

First. If it be an imitation of or offered for sale under the distinctive name of another article.

Second. If it be labeled or branded so as to deceive or mislead the purchaser, or purport to be a foreign product when not so, or if the contents of the package as originally put up shall have been removed in whole or in part and other contents shall have been placed in such package, or if it fail to bear a statement on the label of the quantity or proportion of any morphine, opium, cocaine, heroin, alpha or beta eucaine, chloroform, cannabis indica, chloral hydrate, or acetanilide, or any derivative or preparation of any such substances contained therein.

Third. If in package form, and the contents are stated in terms of weight or measure, they are not plainly and correctly stated on the outside of the package.

Fourth. If the package containing it or its label shall bear any statement, design, or device regarding the ingredients or the substances contained therein, which statement, design, or device shall be false or misleading in any particular: *Provided*, That an article of food which does not contain any added poisonous or deleterious ingredients shall not be deemed to be adulterated or misbranded in the following cases:

First. In the case of mixtures or compounds which may be now or from time to time hereafter known as articles of food, under their own distinctive names, and not an imitation of or offered for sale under the distinctive name of another article, if the name be accompanied on the same label or brand with a statement of the place where said article has been manufactured or produced.

Second. In the case of articles labeled, branded, or tagged so as to plainly indicate that they are compounds, imitations, or blends, and the word "compound," "imitation," or "blend," as the case may be, is plainly stated on the package in which it is offered for sale: *Provided*, That the term blend as used herein shall be construed to mean a mixture of like substances, not excluding harmless coloring or flavoring ingredients used for the purpose of coloring and flavoring only: *And provided, further*, That nothing in this Act shall be construed as requiring or compelling proprietors or manufacturers of proprietary foods which contain no unwholesome added ingredients to disclose their trade formulas, except in so far as the provisions of this Act may require to secure freedom from adulteration or misbranding.

Sec. 9. That no dealer shall be prosecuted under the provisions of this Act when he can establish a guaranty signed by the wholesaler, jobber, manufacturer, or other party residing in the United States, from whom he purchases such articles, to the effect that the same is not adulterated or misbranded within the meaning of this Act, designating it. Said guaranty, to afford protection, shall contain the name and address of the party or parties making the sale of such articles to such dealer, and in such case said party or parties shall be amenable to the prosecutions, fines, and other penalties which would attach, in due course, to the dealer under the provisions of this Act.

Sec. 10. That any article of food, drug, or liquor that is adulterated or misbranded within the meaning of this Act, and is being transported from one State, Territory, District, or insular possession to another for sale, or, having been transported, remains unloaded, unsold, or in original unbroken packages, or if it be sold or offered for sale in the District of Columbia or the Territories, or insular possessions of the United States, or if it be imported from a foreign country for sale, or if it is intended for export to a foreign country, shall be liable to be proceeded against in any district court of the United States within the district where the same is found, and seized for confiscation by a process of libel for condemnation. And if such article is condemned as being adulterated or misbranded, or of a poisonous

or deleterious character, within the meaning of this Act, the same shall be disposed of by destruction or sale, as the said court may direct, and the proceeds thereof, if sold, less the legal cost and charges, shall be paid into the Treasury of the United States, but such goods shall not be sold in any jurisdiction contrary to the provisions of this Act or the laws of that jurisdiction: *Provided, however,* That upon the payment of the costs of such libel proceedings and the execution and delivery of a good and sufficient bond to the effect that such articles shall not be sold or otherwise disposed of contrary to the provisions of this Act, or the laws of any State, Territory, District, or Insular possession, the court may by order direct that such articles be delivered to the owner thereof. The proceedings of such libel cases shall conform, as near as may be, to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in any such case, and all such proceedings shall be at the suit of and in the name of the United States.

Sec. 11. The Secretary of the Treasury shall deliver to the Secretary of Agriculture, upon his request from time to time, samples of foods and drugs which are being imported into the United States or offered for import, giving notice thereof to the owner or consignee, who may appear before the Secretary of Agriculture, and have the right to introduce testimony, and if it appear from the examination of such samples that any article of food or drug offered to be imported into the United States is adulterated or misbranded within the meaning of this Act, or is otherwise dangerous to the health of the people of the United States, or is of a kind forbidden entry into, or forbidden to be sold or restricted in sale in the country in which it is made or from which it is exported, or is otherwise falsely labeled in any respect, the said article shall be refused admission, and the Secretary of the Treasury shall refuse delivery to the consignee and shall cause the destruction of any goods refused delivery which shall not to be exported by the consignee within three months from the date of notice of such refusal under such regulations as the Secretary of the Treasury may prescribe: *Provided,* That the Secretary of the Treasury may deliver to the consignee such goods pending examination and decision in the matter on execution of a penal bond for the amount of the full invoice value of such goods, together with the duty thereon, and on refusal to return such goods for any cause to the custody of the Secretary of the Treasury, when demanded, for the purpose of excluding them from the country, or for any other purpose, said consignee shall forfeit the full amount of the bond: *And, provided further,* That all charges for storage, cartage, and labor on goods which are refused admission or delivery shall be paid by the owner or consignee, and in default of such payment shall constitute a lien against any future importation made by such owner or consignee.

Sec. 12. That the term "Territory," as used in this Act shall include the insular possessions of the United States. The word "person" as used in this Act shall be construed to import both the plural and the singular, as the case demands, and shall include corporations, companies, societies, and associations. When construing and enforcing the provisions of this Act, the act, omission, or failure of any officer, agent, or other person acting for or employed by any corporation, company, society, or association, within the scope of his employment or office, shall in every case be also deemed to be the act, omission, or failure of such corporation, company, society, or association as well as that of the person.

Sec. 13. That this Act shall be in force and effect from and after the first day of January, nineteen hundred and seven.

Approved, June 30, 1906.

### FREE ALCOHOL ACT.

An Act For the withdrawal from bond, tax free, of domestic alcohol when rendered unfit for beverage or liquid medicinal uses by mixture with suitable denaturing materials.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That from and after January first, nineteen hundred and seven, domestic alcohol of such degree of proof as may be prescribed by the Commis-



sioner of Internal Revenue, and approved by the Secretary of the Treasury, may be withdrawn from bond without the payment of internal-revenue tax, for use in the arts and industries, and for fuel, light, and power, provided said alcohol shall have been mixed in the presence and under the direction of an authorized Government officer, after withdrawal from the distillery warehouse, with methyl alcohol or other denaturing material or materials, or admixture of the same, suitable to the use for which the alcohol is withdrawn, but which destroys its character as a beverage and renders it unfit for liquid medicinal purposes; such denaturing to be done upon the application of any registered distillery in denaturing bonded warehouses specially designated or set apart for denaturing purposes only, and under conditions prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury.

The character and quantity of the said denaturing material and the conditions upon which said alcohol may be withdrawn free of tax shall be prescribed by the Commissioner of Internal Revenue, who shall, with the approval of the Secretary of the Treasury, make all necessary regulations for carrying into effect the provisions of this Act.

Distillers, manufacturers, dealers and all other persons furnishing, handling or using alcohol withdrawn from bond under the provisions of this Act shall keep such books and records, execute such bonds and render such returns as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may by regulation require. Such books and records shall be open at all times to the inspection of any internal revenue officer or agent.

Sec. 2. That any person who withdraws alcohol free of tax under the provisions of this Act and regulations made in pursuance thereof, and who removes or conceals same, or is concerned in removing, depositing or concealing same for the purpose of preventing the same from being denatured under governmental supervision, and any person who uses alcohol withdrawn from bond under the provisions of section one of this Act for manufacturing any beverage or liquid medicinal preparation, or knowingly sells any beverage or liquid medicinal preparation made in whole or in part from such alcohol, or knowingly violates any of the provisions of this Act, or who shall recover or attempt to recover by redistillation or by any other process or means, any alcohol rendered unfit for beverage or liquid medicinal purposes under the provisions of this Act, or who knowingly uses, sells, conceals, or otherwise disposes of alcohol so recovered or redistilled, shall on conviction of each offense be fined not more than five thousand dollars, or be imprisoned not more than five years, or both, and shall, in addition, forfeit to the United States all personal property used in connection with its business, together with the buildings and lots or parcels of ground constituting the premises on which said unlawful acts are performed or permitted to be performed: *Provided*, That manufacturers employing processes in which alcohol, used free of tax under the provisions of this Act, is expressed or evaporated from the articles manufactured, shall be permitted to recover such alcohol and to have such alcohol restored to a condition suitable solely for reuse in manufacturing processes under such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe.

Sec. 3. That for the employment of such additional force of chemists, internal-revenue agents, inspectors, deputy collectors, clerks, laborers, and other assistants as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury may deem proper and necessary to the prompt and efficient operation and enforcement of this law, and for the purchase of locks, seals, weighing beams, gauging instruments, and for all necessary expenses incident to the proper execution of this law, the sum of two hundred and fifty thousand dollars, or so much thereof as may be required, is hereby appropriated out of any money in the Treasury not otherwise appropriated, said appropriation to be immediately available.

For a period of two years from and after the passage of this Act the force authorized by this section of this Act shall be ap-



pointed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, and without compliance with the conditions prescribed by the Act entitled "An Act to regulate and improve the civil service," approved January sixteenth, eighteen hundred and eighty-three and amendments thereof and with such compensation as the Commissioner of Internal Revenue may fix with the approval of the Secretary of the Treasury.

Sec. 4. That the Secretary of the Treasury shall make full report to Congress at its next session of all appointments made under the provisions of this Act, and the compensation paid thereunder, and of all regulations prescribed under the provisions hereof, and shall further report what, if any, additional legislation is necessary, in his opinion, to fully safeguard the revenue and to secure a proper enforcement of this Act

Approved, June 7, 1906.

### EMPLOYERS' LIABILITY ACT.

An Act Relating to Liability of common carriers in the District of Columbia and Territories and common carriers engaged in commerce between the States and between the States and foreign nations to their employees.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That every common carrier engaged in trade or commerce in the District of Columbia, or in any Territory of the United States, or between the several States, or between any Territory and another, or between any Territory or Territories and any State or States, or the District of Columbia, or with foreign nations, or between the District of Columbia and any State or States or foreign nations, shall be liable to any of its employees, or, in the case of his death, to his personal representative for the benefit of his widow and children, if any, if none, then for his parents, if none, then for his next of kin dependent upon him, for all damages which may result from the negligence of any of its officers, agents, or employees, or by reason of any defect or insufficiency due to its negligence in its cars, engines, appliances, machinery, track, roadbed, ways, or works.

Sec. 2. That in all actions hereafter brought against any common carriers to recover damages for personal injuries to an employee, or where such injuries have resulted in his death, the fact that the employee may have been guilty of contributory negligence shall not bar a recovery where his contributory negligence was slight and that of the employer was gross in comparison, but the damages shall be diminished by the jury in proportion to the amount of negligence attributable to such employee. All questions of negligence and contributory negligence shall be for the jury.

Sec. 3. That no contract of employment, insurance, relief benefit, or indemnity for injury or death entered into by or on behalf of any employee, nor the acceptance of any such insurance, relief benefit, or indemnity by the person entitled thereto, shall constitute any bar or defense to any action brought to recover damages for personal injuries to or death of such employee: *Provided, however,* That upon the trial of such action against any common carrier the defendant may set off therein any sum it has contributed toward any such insurance, relief benefit, or indemnity that may have been paid to the injured employee, or, in case of his death, to his personal representative.

Sec. 4. That no action shall be maintained under this Act, unless commenced within one year from the time the cause of action accrued.

Sec. 5. That nothing in this Act shall be held to limit the duty of common carriers by railroads or impair the rights of their employees under the safety-appliance Act of March second, eighteen hundred and ninety-three, as amended April first, eighteen hundred and ninety-six, and March second, nineteen hundred and three.

Approved, June 11, 1906.

## MEAT INSPECTION ACT—A PART OF

An Act Making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and seven.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums be, and they are hereby, appropriated, out of any money in the Treasury of the United States not otherwise appropriated, in full compensation for the fiscal year ending June thirtieth, nineteen hundred and seven, for the purposes and objects hereinafter expressed, namely:

\*            \*            \*            \*            \*            \*            \*

That for the purpose of preventing the use in interstate or foreign commerce, as hereinafter provided, of meat and meat food products which are unsound, unhealthful, unwholesome, or otherwise unfit for human food, the Secretary of Agriculture, at his discretion, may cause to be made, by inspectors appointed for that purpose, an examination and inspection of all cattle, sheep, swine, and goats before they shall be allowed to enter into any slaughtering, packing, meat-canning, rendering, or similar establishments, in which they are to be slaughtered and the meat and meat food products thereof are to be used in interstate or foreign commerce; and all cattle, swine, sheep, and goats found on such inspection to show symptoms of disease shall be set apart and slaughtered separately from all other cattle, sheep, swine, or goats, and when so slaughtered the carcasses of said cattle, sheep, swine, or goats shall be subject to a careful examination and inspection, all as provided by the rules and regulations to be prescribed by the Secretary of Agriculture as herein provided for.

That for the purposes hereinbefore set forth the Secretary of Agriculture shall cause to be made by inspectors appointed for that purpose, as hereinafter provided, a post-mortem examination and inspection of the carcasses and parts thereof of all cattle, sheep, swine, and goats to be prepared for human consumption at any slaughtering, meat-canning, salting, packing, rendering, or similar establishment in any State, Territory, or the District of Columbia for transportation or sale as articles of interstate or foreign commerce; and the carcasses and parts thereof of all such animals found to be sound, healthful, wholesome, and fit for human food shall be marked, stamped, tagged, or labeled as "Inspected and passed;" and said inspectors shall label, mark, stamp, or tag as "Inspected and condemned," all carcasses and parts thereof of animals found to be unsound, unhealthful, unwholesome, or otherwise unfit for human food; and all carcasses and parts thereof thus inspected and condemned shall be destroyed for food purposes by the said establishment in the presence of an inspector, and the Secretary of Agriculture may remove inspectors from any such establishment which fails to so destroy any such condemned carcass or part thereof, and said inspectors, after said first inspection shall, when they deem it necessary, reinspect said carcasses or parts thereof to determine whether since the first inspection the same have become unsound, unhealthful, unwholesome, or in any way unfit for human food, and if any carcass or any part thereof shall, upon examination and inspection subsequent to the first examination and inspection, be found to be unsound, unhealthful, unwholesome, or otherwise unfit for human food, it shall be destroyed for food purposes by the said establishment in the presence of an inspector, and the Secretary of Agriculture may remove inspectors from any establishment which fails to so destroy any such condemned carcass or part thereof.

The foregoing provisions shall apply to all carcasses or parts of carcasses of cattle, sheep, swine, and goats, or the meat or meat products thereof which may be brought into any slaughtering, meat-canning, salting, packing, rendering, or similar establishment, and such examination and inspection shall be had before the said carcasses or parts thereof shall be allowed to enter into any department wherein the same are to be treated and prepared for meat food products; and the foregoing provisions shall also apply to all such products which, after having been issued from any slaughtering, meat-canning, salting, packing, rendering, or



similar establishment, shall be returned to the same or to any similar establishment where such inspection is maintained.

That for the purposes hereinbefore set forth the Secretary of Agriculture shall cause to be made by inspectors appointed for that purpose an examination and inspection of all meat food products prepared for interstate or foreign commerce in any slaughtering, meat-canning, salting, packing, rendering, or similar establishment, and for the purposes of any examination and inspection said inspectors shall have access at all times, by day or night, whether the establishment be operated or not, to every part of said establishment; and said inspectors shall mark, stamp, tag, or label as "Inspected and passed" all such products found to be sound, healthful, and wholesome, and which contain no dyes, chemicals, preservatives, or ingredients which render such meat or meat food products unsound, unhealthful, unwholesome, or unfit for human food; and said inspectors shall label, mark, stamp, or tag as "Inspected and condemned" all such products found unsound, unhealthful, and unwholesome, or which contain dyes, chemicals, preservatives, or ingredients which render such meat or meat food products unsound, unhealthful, unwholesome, or unfit for human food, and all such condemned meat food products shall be destroyed for food purposes, as hereinbefore provided, and the Secretary of Agriculture may remove inspectors from any establishment which fails to so destroy such condemned meat food products: *Provided*, That, subject to the rules and regulations of the Secretary of Agriculture, the provisions hereof in regard to preservatives shall not apply to meat food products for export to any foreign country and which are prepared or packed according to the specifications or directions of the foreign purchaser, when no substance is used in the preparation or packing thereof in conflict with the laws of the foreign country to which said article is to be exported; but if said article shall be in fact sold or offered for sale for domestic use or consumption then this proviso shall not exempt said article from the operation of all the other provisions of this Act.

That when any meat or meat food product prepared for interstate or foreign commerce which has been inspected as hereinbefore provided and marked "Inspected and passed" shall be placed or packed in any can, pot, tin, canvas, or other receptacle or covering in any establishment where inspection under the provisions of this Act is maintained, the person, firm, or corporation preparing said product shall cause a label to be attached to said can, pot, tin, canvas, or other receptacle or covering, under the supervision of an inspector, which label shall state that the contents thereof have been "inspected and passed" under the provisions of this Act; and no inspection and examination of meat or meat food products deposited or inclosed in cans, tins, pots, canvas, or other receptacle or covering in any establishment where inspection under the provisions of this Act is maintained shall be deemed to be complete until such meat or meat food products have been sealed or inclosed in said can, tin, pot, canvas, or other receptacle or covering under the supervision of an inspector, and no such meat or meat food products shall be sold or offered for sale by any person, firm, or corporation in interstate or foreign commerce under any false or deceptive name; but established trade name or names which are usual to such products and which are not false and deceptive and which shall be approved by the Secretary of Agriculture are permitted.

The Secretary of Agriculture shall cause to be made, by experts in sanitation or by other competent inspectors, such inspection of all slaughtering, meat-canning, salting, packing, rendering, or similar establishments in which cattle, sheep, swine, and goats are slaughtered and the meat and meat food products thereof are prepared for interstate or foreign commerce as may be necessary to inform himself concerning the sanitary conditions of the same, and to prescribe the rules and regulations of sanitation under which such establishments shall be maintained; and where the sanitary conditions of any such establishment are such that the meat or meat food products are rendered unclean, unsound, unhealthful, unwholesome, or otherwise unfit for human food, he shall refuse to allow said meat or meat food products to be labeled, marked, stamped, or tagged as "inspected and passed."



That the Secretary of Agriculture shall cause an examination and inspection of all cattle, sheep, swine, and goats, and the food products thereof, slaughtered and prepared in the establishments hereinbefore described for the purposes of interstate or foreign commerce to be made during the nighttime as well as during the daytime when the slaughtering of said cattle, sheep, swine, and goats, or the preparation of said food products is conducted during the nighttime.

That on and after October first, nineteen hundred and six, no person, firm or corporation shall transport or offer for transportation, and no carrier of interstate or foreign commerce shall transport or receive for transportation from one State or Territory or the District of Columbia to any other State or Territory or the District of Columbia, or to any place under the jurisdiction of the United States, or to any foreign country, any carcasses or parts thereof, meat, or meat food products thereof which have not been inspected, examined, and marked as "inspected and passed," in accordance with the terms of this Act and with the rules and regulations prescribed by the Secretary of Agriculture: *Provided*, That all meat and meat food products on hand on October first, nineteen hundred and six, at establishments where inspection has not been maintained, or which have been inspected under existing law, shall be examined and labeled under such rules and regulations as the Secretary of Agriculture shall prescribe, and then shall be allowed to be sold in interstate or foreign commerce.

That no person, firm, or corporation, or officer, agent, or employee thereof, shall forge, counterfeit, simulate, or falsely represent, or shall without proper authority use, fail to use, or detach, or shall knowingly or wrongfully alter, deface, or destroy, or fail to deface or destroy, any of the marks, stamps, tags, labels, or other identification devices provided for in this Act, or in and as directed by the rules and regulations prescribed hereunder by the Secretary of Agriculture, on any carcasses, parts of carcasses, or the food product, or containers thereof, subject to the provisions of this Act, or any certificate in relation thereto, authorized or required by this Act or by the said rules and regulations of the Secretary of Agriculture.

That the Secretary of Agriculture shall cause to be made a careful inspection of all cattle, sheep, swine, and goats intended and offered for export to foreign countries at such times and places, and in such manner as he may deem proper, to ascertain whether such cattle, sheep, swine, and goats are free from disease.

And for this purpose he may appoint inspectors who shall be authorized to give an official certificate clearly stating the condition in which such cattle, sheep, swine, and goats are found.

And no clearance shall be given any vessel having on board cattle, sheep, swine, or goats for export to a foreign country until the owner or shipper of such cattle, sheep, swine, or goats has a certificate from the inspector herein authorized to be appointed, stating that the said cattle, sheep, swine, or goats are sound and healthy, or unless the Secretary of Agriculture shall have waived the requirement of such certificate for export to the particular country in which such cattle, sheep, swine, or goats are to be exported.

That the Secretary of Agriculture shall also cause to be made a careful inspection of the carcasses and parts thereof of all cattle, sheep, swine, and goats, the meat of which, fresh, salted, canned, corned, packed, cured, or otherwise prepared, is intended and offered for export to any foreign country, at such times and places and in such manner as he may deem proper.

And for this purpose he may appoint inspectors who shall be authorized to give an official certificate stating the condition in which said cattle, sheep, swine, or goats, and the meat thereof, are found.

And no clearance shall be given to any vessel having on board any fresh, salted, canned, corned, or packed beef, mutton, pork, or goat meat, being the meat of animals killed after the passage of this Act, or except as hereinbefore provided for export to and sale in a foreign country from any port in the United States, until the owner or shipper thereof shall obtain from an inspector appointed under the provisions of this Act a certificate that the said cattle, sheep, swine, and goats were sound and healthy at

the time of inspection, and that their meat is sound and wholesome, unless the Secretary of Agriculture shall have waived the requirements of such certificate for the country to which said cattle, sheep, swine, and goats or meats are to be exported.

That the inspectors provided for herein shall be authorized to give official certificates of the sound and wholesome condition of the cattle, sheep, swine, and goats, their carcasses and products as herein described, and one copy of every certificate granted under the provisions of this Act shall be filed in the Department of Agriculture, another copy shall be delivered to the owner or shipper, and when the cattle, sheep, swine, and goats or their carcasses and products are sent abroad, a third copy shall be delivered to the chief officer of the vessel on which the shipment shall be made.

That no person, firm, or corporation engaged in the interstate commerce of meat or meat food products shall transport or offer for transportation, sell or offer to sell any such meat or meat food products in any State or Territory or in the District of Columbia or any place under the jurisdiction of the United States, other than in the State or Territory or in the District of Columbia or any place under the jurisdiction of the United States in which the slaughtering, packing, canning, rendering, or other similar establishment owned, leased, operated by said firm, person, or corporation is located unless and until said person, firm, or corporation shall have complied with all of the provisions of this Act.

That any person, firm, or corporation, or any officer or agent of any such person, firm, or corporation, who shall violate any of the provisions of this Act shall be deemed guilty of a misdemeanor and shall be punished on conviction thereof by a fine of not exceeding ten thousand dollars or imprisonment for a period not more than two years, or by both such fine and imprisonment, in the discretion of the court.

That the Secretary of Agriculture shall appoint from time to time inspectors to make examination and inspection of all cattle, sheep, swine, and goats, the inspection of which is hereby provided for, and of all carcasses and parts thereof, and of all meats and meat food products thereof, and of the sanitary conditions of all establishments in which such meat and meat food products hereinbefore described are prepared; and said inspectors shall refuse to stamp, mark, tag, or label any carcass or any part thereof, or meat food product therefrom, prepared in any establishment hereinbefore mentioned, until the same shall have actually been inspected and found to be sound, healthful, wholesome, and fit for human food, and to contain no dyes, chemicals, preservatives, or ingredients which render such meat food product unsound, unhealthful, unwholesome, or unfit for human food; and to have been prepared under proper sanitary conditions, hereinbefore provided for; and shall perform such other duties as are provided by this Act and by the rules and regulations to be prescribed by said Secretary of Agriculture; and said Secretary of Agriculture shall, from time to time, make such rules and regulations as are necessary for the efficient execution of the provisions of this Act, and all inspections and examinations made under this Act shall be such and made in such manner as described in the rules and regulations prescribed by said Secretary of Agriculture not inconsistent with the provisions of this Act.

That any person, firm, or corporation, or any agent or employee of any person, firm, or corporation who shall give, pay, or offer, directly or indirectly, to any inspector, deputy inspector, chief inspector, or any other officer or employee of the United States authorized to perform any of the duties prescribed by this Act or by the rules and regulations of the Secretary of Agriculture any money or other thing of value, with intent to influence said inspector, deputy inspector, chief inspector, or other officer or employee of the United States in the discharge of any duty herein provided for, shall be deemed guilty of a felony and, upon conviction thereof, shall be punished by a fine not less than five thousand dollars nor more than ten thousand dollars and by imprisonment not less than one year nor more than three years; and any inspector, deputy inspector, chief inspector, or other officer or employee of the United States authorized to perform any of the



duties prescribed by this Act who shall accept any money, gift, or other thing of value from any person, firm, or corporation, or officers, agents, or employees thereof, given with intent to influence his official action, or who shall receive or accept from any person, firm, or corporation engaged in interstate or foreign commerce any gift, money, or other thing of value given with any purpose or intent whatsoever, shall be deemed guilty of a felony and shall, upon conviction thereof be summarily discharged from office and shall be punished by a fine not less than one thousand dollars nor more than ten thousand dollars and by imprisonment not less than one year nor more than three years.

That the provisions of this Act requiring inspection to be made by the Secretary of Agriculture shall not apply to animals slaughtered by any farmer on the farm and sold and transported as interstate or foreign commerce, nor to retail butchers and retail dealers in meat and meat food products, supplying their customers: *Provided*, That if any person shall sell or offer for sale or transportation for interstate or foreign commerce any meat or meat food products which are diseased, unsound, unhealthful, unwholesome, or otherwise unfit for human food, knowing that such meat food products are intended for human consumption, he shall be guilty of a misdemeanor, and on conviction thereof shall be punished by a fine not exceeding one thousand dollars or by imprisonment for a period of not exceeding one year, or by both such fine and imprisonment: *Provided also*, That the Secretary of Agriculture is authorized to maintain the inspection in this Act provided for at any slaughtering, meat-canning, salting, packing, rendering, or similar establishment notwithstanding this exception, and that the persons operating the same may be retail butchers and retail dealers or farmers; and where the Secretary of Agriculture shall establish such inspection then the provisions of this Act shall apply notwithstanding this exception.

That there is permanently appropriated, out of any money in the Treasury not otherwise appropriated, the sum of three million dollars, for the expenses of the inspection of cattle, sheep, swine, and goats and the meat and meat food products thereof which enter into interstate or foreign commerce and for all expenses necessary to carry into effect the provisions of this Act relating to meat inspection, including rent and the employment of labor in Washington and elsewhere, for each year. And the Secretary of Agriculture shall, in his annual estimates made to Congress, submit a statement in detail, showing the number of persons employed in such inspections and the salary or per diem paid to each, together with the contingent expenses of such inspectors and where they have been and are employed.

Approved June 30, 1906.

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It depends upon the wisdom, the culture, the self-control of our people to determine how well this (trust and industrial combination) question shall be settled. But that it will be solved, and solved in the interest of liberty and justice, I do not doubt. And its solution will open the way to a solution of a whole chapter of similar questions that relate to the conflict between capital and labor. The evils complained of are mainly of our own making. States and communities have willingly and thoughtlessly conferred these great powers upon railways and they must seek to rectify their own errors without injury to the industries they have encouraged.—General James A. Garfield, July 2, 1873.

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If tariff duties are necessary to protect our producers against foreign competition, then not only these who are in combination here, but also the independent manufacturer, must suffer alike if necessary protection is withdrawn. Effective control of the trusts must be had. All parties agree that whatever can be done ought to be done to minimize and remove as far as possible the evils which exist because of these combinations. But it is plain that the adoption of free trade and the abandonment of the policy of protection is not one of these remedies.—U. S. Senator William B. Allison (Iowa).



# Republican Labor Legislation.

Since its very inception the Republican Party has been legislating in every Congress for the uplifting of labor and the bettering of conditions for all working classes. Through our Tariff laws the working people of the United States have been protected against the cheaper labor of the outside world, and wages to-day are from two to ten times the amount received elsewhere. Through our financial legislation the wage-earner has always received a full dollar, and his savings and investments have been fully protected. Not only have wages constantly increased and hours of labor been reduced, but sanitary conditions have been constantly improved and inspection and liability laws have given to our workmen and women conditions and advantages better, very much better, than in any other country.

All the great National Labor laws on our statute books were put there by the Republican Party. Among the principal ones are the following:

*Slavery.*—The great revolution which exalted labor and freed the country from the curse of slavery was accomplished by the Republican Party, against the fiercest opposition possible by the combined forces of the Democrats and their allies. Still true to its original ideals of freedom, the Republican Party, after a lapse of forty years since the emancipation proclamation of Lincoln, abolished slavery in the Philippine Islands. (Act passed by a Republican Senate and Republican House and signed by President Roosevelt July 1, 1902.)

*Involuntary Servitude of Foreigners.*—In 1874 the Forty-third Congress, which was Republican in both Houses, prohibited, under heavy penalties, the holding to involuntary services of any person forcibly kidnapped in any other country.

*Peonage.*—The act abolishing this kind of forced labor was passed by the Thirty-ninth Congress, when both Houses were Republican, by a large majority, March 2, 1867.

*The Coolie Trade.*—The legislation prohibiting the coolie trade is the work of the Republicans. The Act of 1875 closed our doors to the paupers and criminals of Europe, and the Exclusion Act of 1882 stopped the immigration of the Chinese. Upon the annexation of Hawaii in 1898 the immigration of Chinese thereto was prohibited by a Republican Congress, as was the migration of those already in Hawaii from the islands to continental United States. In President Roosevelt's Administration the Chinese-exclusion laws have been extended to the entire island territory of the United States. (Act passed by the Fifty-seventh Congress and approved April 29, 1902.)

*Immigration.*—The Republican Party has favored the American standard of living, not only by abolishing compulsory labor, but also by excluding the products of the cheapest foreign labor through protective tariffs and by restricting the immigration of unassimilable elements from other races.

The importation of foreign laborers under contract was first prohibited in 1885, but, owing to defective provisions for enforcing the law, continued almost unchecked until the amendments made in President Harrison's administration (Acts of the Fifty-first Congress, which was Republican in both branches, and of the Fifty-second Congress, signed March 3, 1891, and March 3, 1893, respectively.)

The Republican Party has increased the restrictions upon the immigration of cheap foreign labor in the new law of 1903. (Act passed by the Fifty-seventh Congress, both Houses being controlled by the Republicans, and signed by President Roosevelt March 3, 1903.)

*Convict Labor.*—The law abolishing the contract system of labor for United States convicts passed the House March 9, 1886, and the Senate February 28, 1887. All the votes against the bill were Democratic.

The law providing for the construction of new United States prisons and the employment of convicts therein exclusively in the manufacture of such supplies for the Government as can be made without the use of machinery was passed by the Fifty-first Congress, which was Republican in both branches, and signed by President Harrison. (Chapter 529 of the Acts of 1890-91.)

*Protection of Seamen.*—This was accomplished by the Forty-second Congress, when both Houses were Republican, and the Forty-third Congress, also Republican.

*Inspection of Steam Vessels.*—Accomplished by the Fortieth Congress, which was controlled by the Republicans.

*Inspection of Coal Mines in the Territories.*—Provided for by the Fifty-first Congress, both Houses being under the control of the Republicans; approved by President Harrison.

*Safety Appliances on Railroads.*—The original act providing for automatic couplers and power brakes on locomotives and cars used in interstate traffic was passed by the Fifty-second Congress, and signed by President Harrison March 2, 1893. Owing to decisions of the courts, new legislation became necessary, and the Fifty-seventh Congress (Republican) passed a greatly improved law, which was signed by President Roosevelt March 2, 1903.

*Report of Accidents.*—The Fifty-sixth Congress (Republican) passed a law requiring common carriers to make monthly reports of accidents to the Interstate Commerce Commission. (Approved by President McKinley March 3, 1901.)

*Eight-Hour Law.*—The first eight-hour law in this country was enacted by the Fortieth Congress and approved by President Grant in 1868. It applied to all artisans and laborers employed by the Government.

In the Fiftieth Congress (1888) the eight-hour day was established for letter carriers. The bill passed the Senate, which was Republican, without division.

In President Harrison's administration the eight-hour law was extended to include persons employed by contractors on public works. (Chap. 352 of the Acts of 1892.)

*Department of Labor.*—The Act creating the United States Bureau of Labor was passed by the Forty-eighth Congress (1884) and signed by President Arthur. In the Fiftieth Congress (1888) the Bureau was removed from the Department of the Interior and made an independent Department of Labor, all the votes cast against the bill being Democratic. In 1903 a Republican Congress established the Department of Commerce and Labor and made its head a Cabinet officer.

*Boards of Arbitration.*—Act passed at the Fifty-fifth Congress (Republican) and signed by President McKinley June 1, 1898.

*Incorporation of National Trades Unions.*—Provided for by Act of Congress in 1886.

## Labor Legislation in Republican and Democratic States.

There is no better way of judging the merits of a political party than by the laws which are passed by the legislators who are elected to office from its ranks. With regard to legislation for the protection of the workers much remains to be done before they receive their full measure of protection and justice, but as can be shown by the statistics of the different States, nearly all protective labor legislation in the United States was first enacted by Republican States, and then adopted by way of imitation by the Democratic States. The proportion of Republican States having protective labor legislation is much greater than that of Democratic States. This is plainly shown in the table following.

The table shows the number and per cent. of Republican and Democratic States which have enacted the legislation explained:

Legislation in Force.	Republican States		Democratic States	
	Number.	Per cent.	Number.	Per cent.
Creating labor bureaus.....	25	86	8	50
Creating factory inspection services.	22	76	5	31
Providing for free employment bureaus .....	11	38	2	12½
Providing for boards of conciliation and arbitration .....	16	55	5	31
Establishing an eight-hour day for labor on public works.....	14	48	3	19
Prohibiting employment of children under 12 years of age in factories.	19	66	9	56
Limiting hours of labor of children.	13	66	8	50
Restricting employment of children of school age and of illiterate children .....	22	76	6	37½
Prohibiting employment of children in bar-rooms .....	9	31	4	25
Prohibiting employment of children in operating or cleaning dangerous machinery .....	11	38	2	12½
Regulating woman labor .....	27	93	11	69
Requiring seats for females in shops and stores .....	22	76	9	56
Regulating sweatshops .....	10	34	2	12½
Requiring wages to be paid weekly, fortnightly or monthly .....	15	52	6	37½
Protecting members of labor organizations .....	13	62	2	12½
Protecting the union label.....	27	93	11	69

An examination of this table presents an interesting lesson in practical politics. We shall take up in rotation each of the more important subjects of labor legislation, and see which States have done the most for the workingman.

*Labor Bureaus.*—There are few agencies which have done more toward giving a clear insight into the problems of labor and capital, that have brought employer and employee nearer together, or that have furnished the laboring people with facts for arguments in favor of protective legislation, than bureaus of labor and labor statistics. The above table shows that at present there are 33 State labor bureaus in the United States. Of these, 25 are Republican States and 8 are in Democratic States. Reducing these figures to a proportionate basis, we find that 25 out of 29 Republican States, or 86 per cent., have labor bureaus; 8 out of 16 Democratic States, or 50 per cent., have labor bureaus.

*Factory Inspection Service.*—It is well known to all working people that protective labor laws are practically a dead letter in any State unless there is a factory inspection service organized for the purpose of searching out and bringing to justice persons who violate such laws. It is easy enough to enact protective legislation, but it is another thing to enforce it. If a State, therefore, enacts such laws and fails to organize a service for their enforcement, it is deceiving those whom it pretends to favor. Let us again observe the tables. We find that 22 out of 29 Republican States, or 76 per cent., have laws creating factory inspection services. We also find that 5 out of 16 Democratic States, or 31 per cent., have factory inspection services. In examining the other subjects of labor legislation which follow we must not lose sight of the fact that only 5 of the Democratic States have made provision for factory inspection services for the purpose of carrying out the provisions of the labor laws which will be under consideration.

*Inspection of Mines.*—Public inspection of mines is required on the same grounds as inspection of factories. The tables show that fifteen of the twenty-eight Republican States and nine of the seventeen Democratic States have established this service.

*Child Labor.*—Ever since the introduction of the factory system, over a century ago, the greatest sufferers from the greed of inconsiderate and cruel employers have been the helpless children, who often at a tender age are placed in factories. It is a principle recognized in all civilized countries that children under 12 years of age should not be employed in factories, and nearly all civilized countries have laws placing a minimum age limit of 12 or 14 years upon such child labor. In our country 28 States absolutely prohibit the employment of children under 12 years of



age in factories. Of these, 19 are Republican and 9 are Democratic States. Of these 19 Republican States, 17 have factory inspection services to see that the laws are enforced, while only 4 of these 9 Democratic States make provision for such inspection.

Many States have enacted laws placing certain restrictions upon the employment of children, usually under 16 years of age, and in some cases even upon the employment of all minors. Of this class are laws limiting the hours of labor of children in factories or stores, which have been enacted in 27 States. Of these 19 are Republican and 8 are Democratic States.

Twenty-eight States have placed restrictions upon the employment of children of school age or of illiterate children, of which 22 are Republican and 6 are Democratic.

Thirteen States prohibit the employment of children or minors in places where intoxicants are sold or handled. Of these 9 are Republican and 4 are Democratic.

Thirteen States prohibit the employment of children in operating dangerous machinery or cleaning machinery in motion. Of these 11 are Republican and 2 are Democratic States.

*Woman Labor.*—Next to the children the greatest victims of abuse by greedy employers when unrestrained by law are women. Investigations have shown that their condition is sometimes pitiful where employers are given free scope in their employment. Their protection, in the interest of humanity and morals, has also been the subject of legislation in nearly all civilized countries. In the United States 38 States have legislated upon this subject. Of these 38 States, 27 are Republican and 11 are Democratic. Again it is interesting to notice that of the 27 Republican States regulating woman labor 21 provide for factory inspection, while of the 11 Democratic States mentioned, only 4 make such provision.

*Seats for Females in Shops.*—Legislation on this subject needs no comment. Any man who has a daughter or sister employed in a shop or store, and every physician knows what a hardship it is to a woman to be compelled to stand all day at a bench or behind a counter. Fortunately in 31 States legislation has been enacted requiring employers to provide seats for females. Of these 31 States, 22 are Republican and 9 are Democratic.

*Sweatshop Legislation.*—There is no greater menace to the health of the working people, and nothing which tends more to lower and degrade human beings, than to crowd them together in small, filthy workshops, where they are often compelled to work, eat and sleep without regard to health or morals, and where the hours of labor are often so long that the victims, who are usually foreigners unacquainted with our language, are shut out from all opportunities for education or betterment of any kind. The scenes observed in these shops by official investigators have been revolting beyond description. Long ago efforts have been made to regulate these so-called "sweatshops," and 12 States have enacted laws looking to this end. Of these 12 States 10 are Republican and 2 are Democratic. Nothing more need be said on this point.

*Wage Payments.*—In order to insure the prompt payment of workmen's wages in cash when due, 21 States have enacted laws requiring employers to pay wages weekly or fortnightly, and in some instances prohibiting a longer interval than one month between pay-days. Of these States 15 are Republican and 6 are Democratic.

*Protection of Members of Labor Organizations.*—Fifteen States have enacted laws, that are now in force, prohibiting employers from discharging persons on account of membership in labor organizations, or from compelling persons to agree not to become members of labor organizations as a condition of securing employment or continuing in their employ. Of these 13 are Republican and 2 are Democratic States.

*Protection of the Union Label.*—Thirty-eight States have adopted laws allowing trade unions to adopt labels or trade-marks to be used to designate the products of the labor of their members, and prohibiting the counterfeiting or the use of such labels or trademarks by unauthorized persons. Of these States 27 are Republican and 11 are Democratic.

*Truck System.*—This legislation prohibits employers from paying their employees in scrip or orders on their company stores and which are not redeemable in cash. At present twenty-three States have such laws in force, of which fourteen are Republican and nine are Democratic, or 61 per cent. of all the Republican and 39 per cent. of all the Democratic States.

*Mediation and Arbitration.*—State boards of mediation and arbitration have been established in fifteen States to aid in the adjustment of industrial disputes. Of the fifteen boards eleven are in Republican States and only four in Democratic States.

*Free Employment Bureaus.*—One of the great needs of wage-workers who are engaged for only a week or a day at a time is some agency that will assist them in obtaining a situation when they are out of work. Private agencies have so frequently exploited their poverty by extorting registration fees for situations that are never procured, that churches and charitable societies now support free employment agencies in many leading cities. A few years ago State and municipal Governments also entered the field and now there are public employment bureaus (free) in fourteen States, of which twelve are Republican and only two Democratic.

*Employers' Liability Laws.*—Since the introduction of steam and machinery workingmen are exposed to such great risks of death and injury that enlightened States have enacted legislation which requires employers to furnish safe work places and appliances, and makes them responsible, in damages, for any injury that may befall an employee through their negligence. Twenty-seven States now have employers' liability laws, most of them relating to railways. Of the twenty-seven States fifteen were Republican and twelve Democratic in the last National election.

*Eight-Hour Law.*—For many years labor organizations have been endeavoring to secure legislation prohibiting labor on Government works or public contracts for over eight hours per day. They have succeeded thus far in securing such legislation in twenty-one of the forty-five States of the Union. Of these twenty-one States, sixteen are Republican and five are Democratic. In other words, of the twenty-eight Republican States, 60 per cent. have enacted the eight-hour law, and of the seventeen Democratic States, only five, or 29 per cent., have yielded to the demands of the labor organizations in this regard.

### Difficulty in Framing Labor Laws.

The difficulty in legislating for Labor is well illustrated in the hearings before the Committee of the Judiciary of the House of Representatives, Fifty-ninth Congress, first session, in relation to the anti-injunction and restraining orders. To give clearness to the matter, the following two bills are printed, the first known as the "Little Bill," the other as the "Gilbert," or "Administration Bill."

### ANTI-INJUNCTION AND RESTRAINING ORDERS.

#### "Little Bill."

(H. R. 4445, Fifty-ninth Congress, first session.)

A BILL to limit the meaning of the word "conspiracy," and the use of injunctions and restraining orders in certain cases.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That no agreement, combination, or contract by or between two or more persons to do or procure to be done, or not to do or procure not to be done, any act in contemplation or furtherance of any trade dispute between employers and employees in the District of Columbia or in any Territory of the United States, or between employers and employees who may be engaged in trade or commerce between the several States, or between any Territory and another, or between any Territory or Territories and any State or States or the District of Columbia, or with foreign nations, or between the District of Columbia and any State or States or foreign nations, shall be deemed criminal, nor shall those engaged therein be indictable or otherwise punishable for the crime of conspiracy, if such act committed by one person would not be punishable as a crime, nor shall such agreement, combination, or contract be considered as in restraint of trade or commerce, nor shall any restraining order or injunction be issued with relation thereto. Nothing in this act shall exempt from punishment, otherwise than as herein excepted, any persons



guilty of conspiracy for which punishment is now provided by any act of Congress, but such act of Congress shall, as to the agreements, combinations, and contracts hereinbefore referred to, be construed as if this act were therein contained.

### "Administration Bill."

(H. R. 9328, Fifty-ninth Congress, first session.)

A BILL to regulate the granting of restraining orders in certain cases.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in cases involving or growing out of labor disputes neither an injunction nor a temporary restraining order shall be granted except upon due notice to the opposite party by the court in term, or by a judge thereof in vacation, after hearing, which may be ex parte if the adverse party does not appear at the time and place ordered: *Provided,* That nothing herein contained shall be held to authorize the issuing of a restraining order or an injunction in any case in which the same is not authorized by existing law.

Mr. H. R. Fuller, legislative representative of the Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen, Order of Railroad Conductors, and Brotherhood of Railroad Trainmen, first addressed the Committee, favoring the "Administration Bill." The following colloquy ensued:

Mr. Fuller: I am only suggesting that if in the minds of the committee they thought it was not proper in its present form we would have no objection to its applying to interstate commerce. I say that it is no more class legislation than acts previously passed by Congress. I might as well say—and I am violating no secret or confidence—that this bill is an Administration bill. It was recommended by the President in his recent message to Congress, and it is my understanding it has had the scrutiny of the Administration.

Mr. Gillett: Has the President had before him this particular bill?

Mr. Fuller: Now, I do not care to get too much into detail; the President's message speaks for itself. The President's message is an indorsement of this bill identically as it is before you.

Mr. Gillett: Has the President expressed himself as being in favor of this bill?

Mr. Fuller: He has; it is an Administration bill.

Mr. Littlefield: Have you the language of the President's message at hand?

Mr. Fuller: Yes, sir.

Mr. Henry: I would like to know what the Attorney-General thinks of it before we get to that. Has he examined it?

Mr. Fuller: I understand so. I understand it has had the scrutiny of the Administration, with all its resources in regard to such matters, and I think there are others here who know the same thing.

Mr. Gillett: Do you know the language of the President in relation to it? I thought that I had his message here, but I have not.

Mr. Fuller: Yes, sir; he goes on and speaks of injunctions and then uses the following language:

"The remedy is to regulate the procedure by requiring the judge to give due notice to the adverse parties before granting the writ, the hearing to be ex parte if the adverse party does not appear at the time and place ordered."

Following Mr. Fuller, the Committee was addressed by Mr. Andrew Furuseth, representing the Seamen's Union. Among other things, Mr. Furuseth said:

"Gentlemen, you have before you two bills dealing in different ways with injunctions. H. R. 4445, by Mr. Little, of Arkansas. You have had this bill before you during several Congresses. You have had hearings on it, and, so far as has appeared at those hearings, this bill would, if enacted into law, put a stop to the use of injunctions in labor disputes. That the relations between laborers and their employers are personal relations as distinct from property relations; that the rights of either party are personal rights, as distinct from property rights, will hardly be seriously disputed. If these are the true relations, then there is no occasion for the equity power to step in. We maintain that it is pure



usurpation on part of the judge to so extend the powers granted to him as to cover labor disputes. We believe that by passing this bill you stop the usurpation and bring the law and the judges back to where it and they belong. Labor will be content with nothing less. Anything short of this robs the laborer, because he is a laborer, of his rights as a citizen.

"You have also before you H. R. 9328, 'a bill to regulate the granting of restraining orders in certain cases,' by Mr. Gilbert, of Indiana. This bill, supposed to have had its origin in the White House, and drawn in the Bureau of Corporations, confers upon the courts sitting in equity absolute jurisdiction in all cases 'involving or growing out of labor disputes.' The judge is to give the defendant a hearing, but may, as in any other suits at law, proceed if the defendant shall fail to appear. We have complained that the use made of the equity process in labor disputes is usurpation of a sovereignty not granted to the courts. It seems to us that in this bill the grant is about to be made.

"Why can you not trust the judges? somebody asks. We do trust them. They are to use this power to stop strikes. When they have to choose between giving the award in favor of the employer who seeks to reduce wages or to have him stop, as he threatens, the business which gives employment to thousands, and thereby throw them out of work, his very humanity, as he feels it, will decide the award. It will be downward, downward, and downward, as under the law of the quarter sessions. It is said that this bill has the endorsement of the President. That can not be. If he understands this bill and then gives to it his endorsement, he is an enemy to honest labor struggling under adverse conditions for a better life—nay, he would be an enemy to human liberty. We do not believe, will not believe it.

"In the labor movement, as well as in all walks of life, there are differences of opinion, divergent perspectives.

"Organized labor demands an anti-injunction law that will absolutely limit the power of judges when they deal with controversies growing out of labor disputes; not a law that will be used as a compulsory arbitration act.

"We want H. R. 4445.

"We don't want H. R. 9328."

Mr. Emile Tryeffort, representing the Merchant Tailors' National Protective Association, addressed the Committee making a strong plea for continuing the present laws and existing conditions, concluding as follows:

"I appear for those who have enjoyed the benefits of this law, both employers and employees, and I ask you gentlemen not to be carried away by this wave which every once in a while seems to carry everything before it, but is often like some of our winds—it comes up and it goes down, and it very often shows destruction in its wake. I appeal to you, gentlemen, to uphold the law-abiding citizen in his desire in this country to work unmolested when he has the right to work, and I appeal to you to give him the right to appeal to the law for the protection which is his due, and which he receives under present conditions."

Mr. Samuel Gompers, President of the American Federation of Labor, followed Mr. Tryeffort, when the following colloquy ensued:

Mr. Gompers: Before Mr. Tryeffort leaves I would like to make some reference to the remarks that he has submitted to the committee.

Mr. Littlefield: Is that the gentleman who has just left?

Mr. Gompers: Yes, sir. That is the reason that I mentioned his name, in the effort to attract his attention.

The Chairman: He has just gone out. We have not any power to keep him.

Mr. Gompers: I thought that I might attract his attention by mentioning his name rather loudly. The burden of his statement and appeal to this committee was to maintain existing conditions. I think that all through history you can find that same appeal and plea made by everyone who profited by the un-

just conditions which obtained at that time. Those who profit by injustice, those who profit by mal-administration, those who profit by unjust laws, those who profited by human slavery, in all cases and in all ages have urged those in whose power it was to make a change, to "maintain the existing conditions." It has been the repudiation of such claims that has made for the progress of the world, and that has established even the Republic of our country.

I should have liked very much to have had the opportunity of asking Mr. Tryeffort to which law he referred when he asked this committee to maintain the present law, which he said "has not been found wanting," and which has been found to accomplish so much.

You will readily understand, Mr. Chairman, that as the proponents of the bill, of the propositions before you, and having been required to advance our reasons for the enactment of an anti-injunction law, we must anticipate that which will be urged against our contention, and we have good reason to assume that, largely, that which will be said has already been said in some other way and time, and I doubt whether, except that we may find the statements couched in different language, they will not all have their basis upon that which has been said before, that which has been presented before. The essence of the question has been very amply set forth in the discussion of the question by Mr. Furuseth, who has addressed you this morning. I should say now that we—and I speak as a representative of the American Federation of Labor—are not in favor of that which Mr. Fuller has called the Administration bill.

Mr. Littlefield: By the way, Mr. Gompers, what organizations do you yourself represent at this hearing, and for whom do you speak?

Mr. Gompers: The American Federation of Labor, the federation of the organized workmen in the national and international trades unions other than those represented by Mr. Fuller.

Mr. Littlefield: Mr. Fuller's organizations are not federated with yours?

Mr. Gompers: They are not. There is a joint, common policy, but they are not affiliated to the American Federation of Labor, as are nearly all the other international trades unions.

Mr. Littlefield: That is, in a legal sense they are not a part of your body?

Mr. Gompers: Yes; so far as we are a law unto ourselves.

Mr. Littlefield: Yes, of course.

Mr. Gompers: But it is not a law of the country.

Mr. Littlefield: Of course. But is the organization represented by Mr. Furuseth federated with your organization?

Mr. Gompers: Yes, sir.

Mr. Littlefield: They all oppose H. R. 9328?

Mr. Gompers: Yes; and are in favor of the Little bill.

Mr. Littlefield: I simply ask this as a general question. Do your organizations indorse the severe restrictions placed upon H. R. 9328 by Mr. Furuseth?

Mr. Gompers: We are opposed to the bill; whether in the exact language of Mr. Furuseth or not is not the question.

Mr. Littlefield: Yes.

Mr. Gompers: But we are apprehensive—yes, sir—of that bill, and we have grave reasons for being apprehensive.

Mr. Littlefield: Mr. Furuseth had some very vigorous opinions. I did not know whether you entertained or shared with him in those.

Mr. Gompers: I share them very largely.

Mr. Littlefield: Yes.

Mr. Gompers: I only had the opportunity of casually hearing them, and hence I am not in a position to say whether every word in what Mr. Furuseth said meets my indorsement.

Mr. Littlefield: Oh, yes; of course not.

Mr. Gompers: But the essence of it meets my indorsement.

Mr. Littlefield: Very well.

After being addressed by several representatives of employers' associations, Mr. T. C. Spelling addressed the committee, the following colloquy ensuing:

Mr. Spelling: Mr. Chairman and gentlemen of the committee, in the first place I desire to offer a substitute for House resolutions 4445 and 9328, and it may be considered a substitute for all the other bills before the committee on this subject. At any rate, I propose submitting it to-day and making an argument in support of it before the committee as a definite proposition and programme for the interests which I represent—the American Federation of Labor.

The Chairman: Let me ask you if in your argument you intend to include the bills introduced by Mr. Gilbert, of Indiana and Mr. Henry, of Texas, those bills requiring notice before the injunction is issued? Do you intend to touch upon those measures?

Mr. Spelling: I shall speak upon what the Federation of Labor demands and seeks in legislation before Congress, and it is all embodied in the bill which I have here.

Mr. Gillett: This, then, is a substitute for the Gilbert bill and the Little bill or any other bill which may be pending here referring to the question of injunction?

Mr. Spelling: Yes, sir; for everything. And to save time I might as well read it.

Mr. Spelling here read the substitute bill referred to.

On a subsequent day Mr. Fuller addressed the committee as follows:

The Chairman: It may be a little irregular for us to go ahead until the other side has closed, but, as I have expressed myself before, I would like to see this hearing closed, so I will proceed.

Mr. Fuller: I wish to first say a few words with regard to the arguments of Brothers Furuseth and Gompers against the Gilbert bill, and I regret that they are not present.

Mr. Furuseth says it is an arbitration bill, and, as I understood him, will make the judge the arbitrator in all labor dispute in which an injunction is asked. I do not agree with him in this opinion, neither am I able to strike any line of reasoning whereby such a conclusion is justified. This bill does nothing more and nothing less than to require that hereafter in labor disputes an injunction or a restraining order shall not be issued without giving the adverse party an opportunity to be heard, instead of issuing them ex parte as heretofore. It gives no new authority to issue such writs, for it is expressly provided in the bill that nothing in it shall be held to authorize the issuing of a restraining order or an injunction where the same is not authorized by existing law.

If it makes a judge an arbitrator of all questions in a labor dispute simply because he is required to give notice before he can issue an injunction, then from 1793 to 1872 the judges were arbitrators of all questions in every dispute in which either a temporary or permanent injunction was sought, for during that period of seventy-nine years neither a temporary nor a permanent injunction could be issued without notice.

If the judge is to be the arbitrator because the bill applies only to labor disputes, then he must now be the arbitrator of all questions in patent cases, for there is a law giving the courts the power to issue injunctions in patent cases in any way they may think proper. If he is to be the arbitrator because the bill applies only to labor disputes, then how about the Little bill, or the Hoar-Grosvenor bill, which we all favored. They apply only to labor disputes.

It has been said if the President knew the effect of this bill and advocated it, he was no friend of labor. I think we can well presume that the President of the United States knows, or at least contemplates the effect of legislation which he recommends to Congress; and I do not think it will be seriously contended that he did not recommend this bill in his last message.

As to the friendship of Theodore Roosevelt for labor, I think his past actions speak louder than words. While Police Commissioner of the city of New York he not only made the police permit striking workmen to picket, but he also required them to protect them in that right. As Governor of the State of New York he recommended labor legislation to the Legislature of that



State. He was the first and only President to indorse labor organizations in a message to Congress, and recommendations for labor legislation have occupied prominent places and filled many pages in his annual messages to Congress from the first one down to the present session. And since he has been President of the United States the White House doors have swung as freely to the representatives of labor as they have to Mr. J. Pierpont Morgan or Mr. A. J. Cassatt.

Mr. Spelling: Will you allow me to ask you—I want to get the record straight—whom you represent? Do you represent the Administration?

Mr. Fuller: What Administration do you have reference to?

Mr. Spelling: The present one. Whom do you represent?

Mr. Fuller: I represent the Brotherhood of Railroad Trainmen, the Order of Railway Conductors, the Brotherhood of Locomotive Engineers, and the Brotherhood of Locomotive Firemen, or, I might say, I am trying to represent them.

Mr. Spelling: Who are the officers of the trainmen?

Mr. Fuller: Do you question my authority?

Mr. Spelling: Well, please—

Mr. Fuller: If you question my authority, I will be glad to give you the names.

The Chairman: -If you do not desire to answer the question you need not get into any controversy—

Mr. Fuller: Mr. Chairman, I will, for the sake of making the record right, submit here a copy of my credential and I will be glad to have Mr. Spelling examine this paper. It bears the signatures of the executive officers of the organizations I represent. As to representing the Administration, I say no, I represent no one except these men whom I am authorized to represent.

The credential referred to was submitted by Mr. Fuller, as follows:

(Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen, Order of Railway Conductors, Brotherhood of Railroad Trainmen.)

December 1, 1905.

*To whom these presents may concern, greeting:*

This is to certify that the bearer hereof, Mr. H. R. Fuller, whose signature appears below has been duly chosen to serve as the representative of the above-named organization at Washington, D. C., during the first session of the Fifty-ninth Congress, in matters pertaining to national legislation.

W. S. STONE,

*Grand Chief Engineer, B. of L. E.*

JOHN J. HANNAHAN,

*Grand Master, B. of L. F.*

E. E. CLARK,

*Grand Chief Conductor, O. of R. C.*

O. H. MORRISSEY,

*Grand Master, B. of R. T.*

H. R. FULLER,

*Representative.*

Mr. Spelling: What is the date of that?

Mr. Fuller: I am simply answering the statement made here with regard to President Roosevelt, in reference to the action he has taken in regard to this bill.

Mr. Spelling: What is the date of your credential?

Mr. Fuller: December 1, 1905.

The Chairman: Go ahead with your argument.

No attempt at giving any argument for or against any bill is intended in the presentation of the foregoing statements. They simply show the wide divergence of views among labor leaders and emphasize the difficulty of framing a law that will be acceptable to all.

“Labor has that in it which cannot be bought and sold. The labor of man is civilization; it is advancement; it is the upward trend of humanity. . . . In whatever field labor may be exercised, it is, and must be, the grandest material, human force.”—Senator O. H. Platt, 1888.

## THE PRESIDENT AND HALF HOLIDAYS—THE EIGHT-HOUR LAW.

Regarding the recent executive orders concerning half-holidays the following explanation is given by Secretary Loeb:

The President directed that half-holidays should be given to all mechanics and laborers in the public service. There was a question whether this could be done under the law; but as it was open to either construction the President directed that it should be done, feeling very strongly that laborers and mechanics who are paid per diem wages should receive holidays just as the clerks and others who receive an annual salary, and the President accordingly went as far as under the law he could go in giving these holidays.

From time to time the President has received complaints as to the non-observance of the eight-hour law; but the complaints were usually very indefinite; and moreover there was utter confusion as to where the responsibility for securing the observance of the law really rested. On March 21st last a number of the labor men called upon the President and reiterated these complaints. The President then asked them to give specifications at their earliest convenience in detail. Some time elapsed before he secured these specifications. He then turned the matter over to Commissioner of Labor Neill and intrusted him to examine into the charges and report if they were true and what steps if any he should take to secure the thorough enforcement of the law. This was not, strictly speaking, in the line of Commissioner Neill's duties, but the President has determined that it was necessary to take some outside man who was in sympathy with the law and practically request him to supervise its execution. On Commissioner Neill's report the President not only directed action to be taken by the District Attorney in a case upon which most stress was laid—that of the Charleston Navy Yard; but also instructed all the Departments to see to it that the law was observed in spirit as well as in letter. Most of the complaints related to the observance of the law in the War and Navy Departments; and under the President's instructions the following proclamations were issued in these two Departments. This law it is now being absolutely enforced.

### Executive Order.

It is hereby ordered that on Saturdays during July, August and September, until further notice, four hours, exclusive of time for luncheon, shall constitute a day's work for skilled mechanics, laborers, and employees in the Classified Civil Service at the Government Printing Office, Washington: Provided, that if any skilled mechanic, laborer or employee in the Classified Civil Service shall work more than four hours on any Saturday during the months aforesaid, he shall be paid for such extra work at the rate of fifty per centum more than his regular and normal compensation and no more.

THEODORE ROOSEVELT.

The White House, June 23, 1906.

### Executive Order.

It is hereby ordered that on Saturdays during July, August and September, until further notice, four hours, exclusive of time for luncheon, shall constitute a day's work for skilled mechanics and laborers, and employees in the classified civil service, at all navy yards and naval stations of the United States: Provided, that if any skilled mechanic or laborer shall work more than four hours on any Saturday during the months aforesaid, he shall be paid for such extra work at the rate of fifty per centum in addition to his regular and normal compensation and no more.

THEODORE ROOSEVELT.

The White House, June 25, 1906.

**Executive Order.**

It is hereby ordered that on Saturdays during July, August and September, until further notice, four hours, exclusive of time for luncheon, shall constitute a day's work for mechanics, laborers and other employees in the civil service at the manufacturing and supply arsenals and depots under the War Department, and in the offices of the division and department commanders and of the various staff officers at military divisions and department headquarters of the army in the United States.

THEODORE ROOSEVELT.

The White House, June 29, 1906.

**Executive Order.**

It is hereby ordered that on Saturdays during July, August and September, until further notice, four hours, exclusive of time for luncheon, shall constitute a day's work for mechanics, laborers and other employees in the service of the Engineer Department at Large of the War Department.

THEODORE ROOSEVELT.

The White House, July 24, 1906.

**Executive Order.**

Hereafter all employees of the Office of Public Buildings and Grounds, except the Park Police, shall be entitled to the usual half holiday on Saturday during the months of July, August and September, for which all the annual employees shall be paid. The temporary employees shall be paid for the half holidays in each month provided they have worked continuously during that month since their employment or have been laid off through no fault of their own.

THEODORE ROOSEVELT.

The White House, July 24, 1906.

July 14, 1906.

*Memorandum for the Chief of Engineers:*

It has been brought to the attention of the Secretary of War that, under an opinion of the Attorney-General, in which it was held that it was the duty of contractors with the Government to obey the law with reference to the eight-hour a day provision, and that it was not the peculiar responsibility of the War Department to see to it that contractors obey the law, it has been customary for the officers of the engineer department and subordinate engineers to ignore altogether the question whether Government contractors are obeying the law in this respect or not. No matter what the opinion of the Attorney-General is in regard to the question where the technical responsibility for the violation of the law falls, it is the opinion of the President, in which I concur, that it is the duty of the officers of this Department, in respect to Government contracts which are performed under their supervision, and for the performance of which they are responsible, to use the powers they have to prevent violations of law, and especially the federal law, by the contractors in the work which comes under their supervision.

The Chief of Engineers is, therefore, directed to require his subordinates to report to him the cases in which laborers and mechanics upon Government work have been within the last two years required to work more than eight hours a day, and, if so, under what emergency, if any, this work was performed. It is of course unnecessary to say that a personal opinion as to the wisdom of the law can have no bearing at all upon the question of its enforcement, or of the duty of those who come into contact with its violation being officers of the Government, to make a full report of such violations to their superiors for such action as may be deemed wise.

The Chief of Engineers will report to the Secretary of War the result of his investigations from time to time as they are returned.



In all specifications hereafter the especial attention of the contractors must be called to the eight-hour act, in order that they may be advised that should they fail to comply they will be reported by the officers of this Department for such action as the Department of Justice may deem it proper to take.

WM. H. TAFT,  
*Secretary of War.*

### NAVY DEPARTMENT,

WASHINGTON, July 17, 1906.

(Memorandum.)

*To the Chiefs of all Bureaus, the Commandant of the Marine Corps, and the Superintendent of the Naval Academy:*

It has been customary for the naval inspectors of work done under public contracts, acting in accordance with the Department's instructions or approval, to ignore altogether the question whether Government contractors were obeying the law with reference to the eight-hour a day provision, it being the Department's attitude that it was the duty of contractors with the Government to obey the law and not the peculiar responsibility of the Department to see to it that they did so. The Attorney-General rendered an opinion to the Secretary of War on this general subject in which a similar view was held, but, without regard to previous holdings as to where the technical responsibility of the violation of the law falls, it is the opinion of the President, in which the Department concurs, that it is the duty of the officers of the Government, with respect to public contracts that are performed under their supervision and for the performance of which they are responsible, to use the powers they have to prevent violations of the law, and especially the Federal law, by the contractors in the work that comes under their supervision.

The Chiefs of Bureaus, the Commandant of the Marine Corps and the Superintendent of the Naval Academy are, therefore, directed to require their inspectors to report the cases in which laborers and mechanics upon any Government work within the purview of the act of August 1, 1892, have been, within the last two years, required to work more than eight hours a day, and if so, under what emergency, if any, this work was performed. It is of course unnecessary to say that a personal opinion as to the wisdom of this law can have no bearing at all upon the question of its enforcement, or of the duty of those who come in contact with its violation, being officers of the Government, to make full report of such violations to their superiors for such action as may be deemed wise.

The Chiefs of the Bureaus will report to the Department the result of their investigations from time to time, as they are returned.

In all specifications hereafter for work within the purview of that act, the especial attention of the contractors must be called to the eight-hour act, in order that they may be advised that should they fail to comply they will be reported by the officers of this Department for such action as the Department of Justice may deem proper to take.

(Signed)

TRUMAN H. NEWBERRY,  
*Acting Secretary.*

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If I were to name the order in which the different classes are interested in the maintenance of a protective tariff, I would say, first, the laborers everywhere, in whatever field they wipe the sweat from their brow—more than any manufacturers are the wage-receiving men of this country interested in its preservation. The blow hits them first, and it may as well be understood, and they are coming to understand it all over the land. First, the men who work in manufactories, the artisans, are hit; next, agriculturists and the men who work on farms; next, manufacturers in other sections of the country where they are not as well established and where the industries may indeed be said even now to be infant industries; next, those engaged in transportation; next, those engaged in merchandise.—O. H. Platt, U. S. Senate, Feb. 6, 1888.

**REMARKS OF PRESIDENT ROOSEVELT TO THE EXECUTIVE COUNCIL OF THE AMERICAN FEDERATION OF LABOR AND THE REPRESENTATIVES OF LABOR ASSOCIATED WITH THEM, AT THE EXECUTIVE OFFICE, MARCH 21, 1906.**

Mr. Gompers: If your body objects to the passage of the proposed anti-injunction bill I have no question that you can stop it, for there is not a capitalist concerned who simply as a capitalist is not against it; though I believe that a goodly number both of capitalists and wageworkers who are concerned primarily as citizens, favor it. The law was worked over and substantially whipped into its present shape at a number of conferences between representatives of the railroad organizations, of the Department of Justice, and of the Bureau of Corporations, with me. It goes as far as I personally think it should go, in limiting the right of injunction; at any rate no arguments have hitherto been advanced which make me think it should go farther. I do not believe it has any chance of passing because there has been great criticism in both houses of Congress against the attitude of the administration in going so far as we have gone; and if you think it is not far enough, why you will have no earthly difficulty in killing the bill. Personally, I think the proposed law, a most admirable one, and I very sincerely wish it would be put through. As for the right of injunction, it is absolutely necessary to have this power lodged in the courts; though of course any abuse of the power is strongly to be reprobated. During the four and a half years that I have been President I do not remember an instance where the Government has invoked the right of injunction against a combination of laborers. We have invoked it certainly a score of times against combinations of capital; I think possibly oftener. Thus, though we have secured the issuance of injunctions in a number of cases against capitalistic combinations, it has happened that we have never tried to secure an injunction against a combination of labor. But, understand me, gentlemen, if I ever thought it necessary, if I thought a combination of laborers were doing wrong, I would apply for an injunction against them just as quick as against so many capitalists.

Now I come to the general subject of your petition. I wish in the first place to state my regret that you did not divorce so much of the petition as refers to the action of the executive from so much as refers to the action of the legislative branch, because I cannot consider any petition that you make that reflects upon the co-ordinate branch of the Government, or that makes any charges whatever against it. I would not even receive it save for the fact that in part it affects the executive. Therefore in what I have to say I shall limit myself solely to what you assert in reference to the acts of the executive.

You speak of the eight-hour law. Your criticism, so far as it relates to the executive, bears upon the signature of the appropriation bill containing the money for expenditures of the Panama Canal, with the proviso that the eight-hour law shall not there apply. If your statement is intended to mean that no opportunity was given for a hearing before me, then the statement is not in accordance with the facts. There was ample opportunity that any one could, but not a single request for such a hearing came to me. I received, however, some hundreds of telegrams and letters requesting the veto of the entire appropriation bill, because it contained that proviso. Frankly, I found it difficult to believe that you were writing and telegraphing with any kind of knowledge of the conditions in the case. I believe emphatically in the eight-hour law for our own people in our own country. But the conditions of labor, such as we have to work with in the tropics, are so absolutely different, that there is no possible analogy between them and an eight-hour law for the Panama Canal is an absurdity. Every one of you knows that we cannot get white labor, cannot get labor of the United States, to go down to Panama and work. We are driven to extremities in the effort to get any kind of labor at all. Just at the moment we are working chiefly with negro labor from the West Indies. The usual result in the employment of those men is that Monday and



Tuesday they work fairly well, Wednesday and Thursday there is a marked falling off, and by Friday and Saturday not more than a half, sometimes less than a fourth, of the laborers will be at work. The conditions that make the eight-hour law proper here have no possible reference to the conditions that make the eight-hour law entirely improper there. The conditions are so utterly different on the Isthmus as compared to here, that it is impossible to try to draw conclusions affecting the one from what is true about the other. You hamper me in the effort to get for you what I think you ought to have in connection with the eight-hour law, when you make a request that is indefensible, and to grant which would mean indefinite delay and injury to the work on the Isthmus.

As to the violations of the eight-hour law, Mr. Morrison, you give me no specifications. At your earliest convenience please lay before me in detail any complaints you have of violations of the eight-hour law. Where I have power I will see that the law is obeyed. All I ask is that you give me the cases. I will take them up, and if they prove to be sustained by the facts, I shall see that the law is enforced.

Now, about the Chinese exclusion. The number of Chinese now in this country is, if I remember aright, some sixty or seventy thousand. So far from there being a great influx of Chinese, the fact is that the number has steadily decreased. There are fewer Chinese than there were ten years ago, fewer than there were twenty years ago, fewer than there were thirty years ago. Unquestionably some scores of cases occur each year where Chinese laborers get in either by being smuggled over the Mexican and Canadian borders, or by coming in under false certificates; but the steps that we have taken, the changes in the consuls that have been made within the last few years in the Orient, and the effort to conduct examinations in China before the immigrants are allowed to come here, are materially reducing even the small number of cases that do occur. But even as it is, the number of these cases is insignificant. There is no appreciable influx of Chinese laborers, and there is not the slightest or most remote danger of any; the whole scare that has been worked up on the subject is a pure chimera. It is my deep conviction that we must keep out of this country every Chinese laborer, skilled or unskilled—every Chinaman of the coolie class. This is what the proposed law will do; it will be done as effectively as under the present law; and the present law is being handled with the utmost efficiency. But I will do everything in my power to make it easy and desirable for the Chinese of the business and professional classes, the Chinese travelers and students, to come here, and I will do all I can to secure their good treatment when they come; and no laboring man has anything whatever to fear from that policy. I have a right to challenge you as good American citizens to support that policy; and in any event I shall stand unflinchingly for it; and no man can say with sincerity that on this, or indeed on any other point, he has any excuse for misunderstanding my policy.

You have spoken of the immigration laws. I believe not merely that all possible steps should be taken to prevent the importation of laborers under any form, but I believe further that this country ought to make a resolute effort from now on to prevent the coming to the country of men with a standard of living so low that they tend, by entering into unfair competition with, to reduce the standard of living of our own people. Not one of you can go further than I will go in the effort steadily to raise the status of the American wage worker, so long as, while doing it, I can retain a clear conscience and the certainty that I am doing what is right. I will do all in my power for the laboring man except to do what is wrong; and I will not do that for him or for any one else.

We must not let our natural sentiment for succoring the oppressed and unfortunate of other lands lead us into that warped moral and mental attitude of trying to succor them at the expense of pulling down our own people. Laws should be enacted to keep out all immigrants who do not show that they have the right stuff in them to enter into our life on terms of decent equality with our own citizens. This is needed first in the in-



erest of the laboring man, but furthermore in the interests of all of us as American citizens; for, gentlemen, the bonds that unite all good American citizens are stronger by far than the differences, which I think you accentuate altogether too much, between the men who do one kind of labor and the men who do another. As for immigrants, we cannot have too many of the right kind; and we should have none at all of the wrong kind; and they are of the right kind if we can be fairly sure that their children and grandchildren can meet on terms of equality our children and grandchildren, so as to try to be decent citizens together and to work together for the uplifting of the Republic.

Now a word as to the petitioning of employees to Congress. That stands in no shape or way on a par with the petitioning of men not employed by the Government. I cannot have and will not have when I can prevent it men who are concerned in the administration of Government affairs going to Congress and asking for increased pay, without the permission of the heads of the Departments. Their business is to come through the heads of Departments. This applies to postmasters, to army and navy officers, to clerks in the Government departments, to laborers; it applies to each and all, and must apply, as a matter of simple discipline.

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### WAGES, THE DOLLAR LEFT OVER.

Out of our 85,000,000 of population, 35,000,000 are wage earners. If they should receive the compensation of \$1 per day, the money thus earned would add to the daily circulation of our country \$35,000,000. If, by reason of protective legislation, they should receive \$2 per day, then we have \$70,000,000 in circulation instead of \$35,000,000, and a like ratio of increase in wages will increase the amount of money placed daily in circulation, for money is the basis upon which all wealth is accumulated. The margin of each day's business is the possibility of gain. The greater the volume the greater the possibility of a margin. Truly, Wendell Phillips uttered something worthy of more than passing notice when he said: "It is the dollar left on Saturday evening, after all the bills are paid, that means education, independence, self-respect, manhood. It increases the value of every acre nearby, fills the town with dwellings, opens public libraries and crowds them, dots the continent with cities and cobwebs it with railways. The one remaining dollar insures progress and guarantees millions to its owner."

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### SMITTEN WITH THE LOVE OF PEACE.

(San Francisco, May 1, 1892, Chamber Commerce Reception.)

We will pursue the paths of peace; we are not a warlike nation; all our instincts, all our history is in the lines of peace. Only intolerable aggression, only the peril of our institutions—of the flag—can thoroughly arouse us. With capability for war on land and on sea unexcelled by any nation in the world, we are smitten with the love of peace. We would promote the peace of this hemisphere by placing judiciously some large guns about the Golden Gate—simply for saluting purposes, and yet they should be of the best modern type.—Benjamin Harrison.

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### IMMIGRATION.

(From President McKinley's Letter of Acceptance.)

"While we adhere to the public policy under which our country has received great bodies of honest, industrious citizens, who have added to the wealth, progress and power of the country, and while we welcome to our shores the well-disposed and industrious immigrant, who contributes by his energy and intelligence to the cause of free government, we want no immigrants who do not seek our shores to become citizens."

# Anti-Trust Proceedings.

Speech of Hon. James E. Watson, of Indiana, in House of Representatives, June 27, 1906.

Mr. Watson: Mr. Chairman, I desire to speak of the beef-trust proceedings. In general interest these proceedings are of the most importance. They were concerned with obtaining for the people an article of prime necessity at a reasonable price. The proceedings were begun by bill in equity, the object being to have the defendants, Swift & Co., Armour & Co., and a number of corporations, firms, and individuals, restrained by order of the court from continuing their illegal combination.

The following characterization of the means used by the defendants in carrying out and making effective their alleged unlawful practices is found in the Attorney-General's argument in the Supreme Court:

Controlling 60 per cent of the fresh-meat industry of this country, they sit down in their packing houses and counting rooms, and, with the aid of the telegraph and telephone, through the instrumentality of countless agents and attorneys spread throughout the country, clothing their transactions and scattering their misconduct by ciphers and secret codes, lower and raise prices at will, and when lowered or raised fix and maintain absolutely the price of every pound of one of the great necessities of life as it comes to our households.

In the bill it was alleged, in effect, that the defendants by means of an illegal combination were perpetrating fraud on all the people by exercising their power to unduly raise the price of dressed beef; that they were oppressing and grievously injuring the farmer by forcing him to sell his live stock at prices unprofitable to him; by issuing instructions to their agents not to compete in bidding after prices had been unduly bid up at various points and the owners of live stock had been induced to make large shipments to those points, and that independent packers were being forced to the wall by the lowering of prices where competition was keen, the losses there being recouped by arbitrarily raising prices where the field had been conquered.

These statements have never been denied in court by the packers. They refused to file a sworn answer to the bill after the lower court had overruled points of law raised by demurrer and appeal to the Supreme Court on those questions and after an injunction had issued against them in that court. They were represented by able counsel and the Government by the Attorney-General.

Twenty-three days after the argument was concluded the court unanimously sustained the Government's contentions, and the defendants were directed to cease their unlawful practices.

Thereafter it came to the Attorney-General's attention that the mandate of the court was not being obeyed. An investigation was ordered, the evidence collected. It was placed before the Federal grand jury, and after a patient and a fair examination an indictment was presented at Chicago charging Armour & Co., Swift, and a number of individuals and corporations engaged in the packing business with violations of the anti-trust law.

Meantime the Bureau of Corporations had been making an investigation, by direction of the House of Representatives, contained in the so-called "Martin resolution," into "the unusually large margins between the price of beef cattle and the selling price of fresh beef." The Commissioner of Corporations made the investigation and a report, which was published. In so doing he was furnished information by packers and was given access to their books, except that no information was given to him as to the existence of rebates, the affairs of the National Packing Company, or the results of the selling and shipping business. He summoned no witnesses by subpoena or otherwise, and at the argument it was admitted that he made no promises of immunity.

The packers, although they plead not guilty, were strangely averse (as they had been in the proceeding by a bill in equity)



to any hearing upon the merits. They filed pleas attacking the constitution of the grand jury, the jurisdiction of the court, and demurrers to the indictments, which were severally overruled. Then they filed what have been called "immunity pleas." In other words, they claimed that they had received a pardon by virtue of the provision of law which gave to them all the immunities conferred by the act of 1893, amending the interstate commerce act, which amendment applied to all witnesses summoned in pursuance of the law under which the proceedings were undertaken.

They contended that although they had not been subjected to testimonial compulsion—that is, brought before the Commissioner by subpoena and placed under oath—and had not furnished any incriminating evidence, and although the Department of Justice had not used any of the evidence collected by the Commissioner of Corporations, yet they acted under compulsion in law, because the Commissioner had been directed to investigate them and had authority, under the foregoing law, to compel them to testify and produce documentary evidence.

The "immunity pleas" were sustained as to the individual packers, and they were discharged. The pleas were overruled as to the defendant corporations on the authority of very recent decisions by the Supreme Court in the Paper Trust and Tobacco Trust cases hereafter noticed.

The Government also brought suits against several packing companies of Kansas City, the Burlington Railroad Company, and two individual defendants for making and accepting rebates. The outcome of the litigation was the imposition of a fine of \$15,000 each against the packing and railroad companies and \$6,000 and \$4,000, together with imprisonment for four and three months, respectively.

### The Paper Trust Case.

This was a bill in equity against the General Paper Company and some two score independent paper manufacturing companies, located in the States of Wisconsin, Minnesota and Michigan, where they manufactured substantially the sole supply of news print and fiber paper for the district west of Chicago and east of the Rocky Mountains. The defendants raised, in the lower court, some very important questions relative to the rights of witnesses under the constitutional provision that "no person \* \* \* shall be compelled \* \* \* to be a witness against himself."

The point and force of the decision of these questions will be stated in the reference to the Tobacco Trust case, next succeeding, for these cases were argued together and the latter contains all the important points decided in this.

The Supreme Court overruled the defendants' contentions. This decision practically disposed of the Paper Trust's defense, for there was none on the merits, and it submitted without further proceedings. The trust is now dissolved; the benefits of free competition are being received, and it is reported, on reliable authority, that news print and fiber paper are now being supplied to the consumer at the substantial reduction of 30 per cent.

### The Tobacco Trust Cases.

These grew out of an investigation by a Federal grand jury, sitting for the southern district of New York, of the American Tobacco Company and the MacAndrews & Forbes Company. Witnesses were summoned to testify to their knowledge of any facts tending to show that these companies were violating the anti-trust laws. Subpoena duces tecum were served upon officers of each company, directing them to produce papers and other documentary evidence belonging to the corporations, and those officers refused. They were adjudged in contempt of court, and they appealed to the Supreme Court. The questions taken to the Supreme Court and decided in favor of the Government were:



First. That a corporation which could not testify, or as a witness produce papers, is not within the terms of the immunity act of 1903, which is in almost the exact language of the immunity act under which the packers claimed immunity.

Second. That a corporation engaged in interstate commerce is not entitled to withhold its books and papers from the scrutiny of the properly authorized officers of the Federal Government, and that the fifth amendment of the Constitution does not grant to such a corporation the right which an individual would have to withhold the same evidence upon the ground that it might tend to incriminate him.

The investigation was again taken up and resulted, on June 18, 1906, in the finding of an indictment against the MacAndrews & Forbes Company and Karl Jungbluth, its president, and against the J. S. Young Company and Howard E. Young, its president, charging them with violating section 1 of the Sherman anti-trust law by engaging in a combination in restraint of the trade in licorice paste, that being an indispensable ingredient in the manufacture of plug tobacco and some kinds of smoking tobacco, cigars, and snuff. This trade was restrained in the usual way—that is to say, competition was destroyed, arbitrary prices were fixed, the volume of business was apportioned, and terms of sale and discounts were made uniform. A feature of the combination was that the MacAndrews & Forbes Company, in the division of customers, was allotted the trade with the tobacco manufacturers who were members of the so-called "tobacco trust," while the J. S. Young Company was given the independent trade, the latter company having by its advertisements made special claims for recognition by the independent trade before the date of the combination in question.

This indictment also charged the same defendants with engaging in a conspiracy in restraint of the same trade, and attempting to monopolize that trade (Sec. 2 of the act), in and by the acts specified in connection with the charge of engaging in a combination. This case will be brought to trial at the earliest possible moment.

### The Drug Trust.

May 9, 1906, suit for an injunction was filed against the drug trust. The principal parties defendant are the Proprietary Association of America, the National Wholesale Druggists' Association, and the National Association of Retail Druggists.

The bill charged, in substance, that these associations, their officers, delegates, and members are all engaged in the business of manufacturing, buying, and selling patent medicines, drugs, and proprietary articles throughout the United States; that they have entered into a conspiracy to arbitrarily fix and regulate the prices at which such articles shall be sold to the consumer, and that they have established rules and regulations to enforce such an unlawful agreement by restricting the purchase and sale of such commodities to those members of the several associations who shall live up to and observe the rules and regulations thus arbitrarily prescribed by the respective associations.

The ultimate object of the alleged conspiracy is to fix the prices which shall be observed by the retail druggists in selling to the consumer the various commodities manufactured by the several members of the Proprietary Association. The plan by which such object is effected is, in brief, as follows:

No retail druggist can obtain goods from a wholesale druggist or the manufacturer of a proprietary medicine unless such retail druggist becomes a member of the National Association of Retail Druggists, and in order to become such member he must agree to observe the established price at which such proprietary medicines shall be sold to the consumer. If he cuts prices, he is blacklisted and is unable to obtain from any manufacturer or any wholesale druggist, who is a member of the association, any of their medicines.

In a case brought by a Philadelphia druggist under the Federal anti-trust act the plaintiff obtained a substantial victory. For several months prior to the trial of this case the Department of Justice had been engaged in the investigation of the conspiracy, and the Attorney-General, having reached the conclusion that

the combination is one prohibited by the terms of the Sherman anti-trust act, has directed the district-attorney for the district of Indiana to file this bill. An injunction is prayed prohibiting these associations from acting in concert for the purpose of maintaining prices and the individuals, firms, and corporations who are members of the respective associations from acting together for the purpose of maintaining uniform prices to the consumers throughout the United States.

### **The Elevator Trust.**

March 7, 1906, suit was brought against some thirty companies manufacturing passenger elevators for buildings, the bill alleging an illegal combination which had obtained a practical monopoly in the manufacture and sale of elevators.

The Government's case was complete; the defendants have admitted their guilt and have dissolved their combination.

### **Coal Investigation.**

The Attorney-General has recently appointed special counsel to make a full and complete investigation into the alleged combination of railroads and coal operators in the anthracite and bituminous coal regions, and the investigation is now proceeding. It promises to be one of the most important steps taken by the Government to break up combinations that are hurtful to the consumers of the country. Already astounding revelations have been made, and even before a report has been made reforms are in progress. When final report is submitted to the Attorney-General, if there is shown to be any ground for criminal prosecution, the Government will take active steps.

### **Nome Retail Grocers' Association.**

The Government's prosecution of the trusts has extended even to far-away Alaska. Complaint was made that there was a combination known as the "Nome Retail Grocers' Association," which had fixed prices and suppressed competition. The Government took action, won a decree in its favor against the combination, and the Attorney-General is advised that the effect has been very salutary.

### **Hawaiian Beef Trust and Lumber Trust.**

The Government went to the relief of the citizens of Hawaii, who complained against a meat and a lumber trust, and entered several suits. The mere beginning of the suits resulted in the lowering of prices, although the cases have not been decided.

### **Terminal Railroad Association of St. Louis.**

In Missouri suit has been brought against the Terminal Railroad Association of St. Louis, the St. Louis Merchants' Bridge Terminal Railroad Company, the Wiggins Ferry Company, and others, in which it is sought to free interstate traffic from an alleged combination to operate to the Eads Bridge and the Merchants' Bridge as a common agency of interstate commerce and to suppress competition between these bridges and the ferries. It is alleged that the defendants are monopolizing the interstate transportation across the Mississippi River and into St. Louis. The Government is prosecuting these cases vigorously.

### **Jacksonville Wholesale Grocers' Association.**

In Florida the Government is seeking an injunction against the Jacksonville Wholesale Grocers' Association. Complaint was made by consumers, and the Department has taken up the case with vigor.

### The Fertilizer Trust.

A Federal grand jury sitting in Tennessee has returned an indictment against the Fertilizer Trust, comprising thirty-one corporations and twenty-four individuals. The fifty-five defendants controlled the field in nine Southern States for the sale of fertilizers indispensable to all engaged in raising cotton. Their combination was so effective that the price of different grades was raised on an average of \$2.50 a ton. These cases have taxed the resources of the Department to the utmost. The great combinations conduct their business secretly, with the aid of skilled legal advice, and their operations cover an extensive field.

### The Sugar Rebate Cases.

In New York, recently, indictments were returned against the American Sugar Refining Company, New York Central and Hudson River Railroad Company, and several individuals. The charge was made that rebates amounting to hundreds of thousands of dollars have been often given to the sugar company to aid it in its fight with the farmers who are conducting the struggling industry of producing sugar from beets. When the sugar trust wanted to overcome the competition of the farmer, wanted to lay such stress upon him that he would give up the contest in despair and dispose of his property to the monopoly, it went to the railroads and borrowed a club with which it clubbed the farmer to death. The grand jury did not complete its investigation, but when it adjourned published a recommendation to its successor that it take up the work.

### Coal Carriers' Cases.

Proceedings were instituted in 1903 in behalf of the Interstate Commerce Commission against the Chesapeake and Ohio Railroad Company and the New York, New Haven and Hartford Railroad Company. The Chesapeake and Ohio was engaged in the carriage of coal between West Virginia and Newport News, Va., for delivery to the New York, New Haven and Hartford in Connecticut, and the traffic was being moved at less than the published rates, and in such a way as to produce a discrimination in favor of the New Haven road and against others. The Chesapeake and Ohio made a verbal agreement with the New Haven road to sell to the latter 60,000 tons of coal, to be carried to tide water and thence by water to Connecticut, for delivery to the buyer, at \$2.75 per ton. The price of the coal at the mines where the Chesapeake and Ohio bought it and the cost of transportation from Newport News to Connecticut aggregated \$2.47 per ton, thus leaving to the Chesapeake and Ohio only about 28 cents per ton for carrying the coal from the mines to tide water, while the published tariff for like carriage for private shippers was \$1.45 per ton.

The court held that the contracts amounted to undue discrimination and enjoined the Chesapeake and Ohio from continuing the contract. Afterwards the Interstate Commerce Commission requested that the injunction be expanded to command the Chesapeake and Ohio perpetually to observe, in the future, all published rates. From the decision of the trial court an appeal was taken to the United States Supreme Court, and February 19, 1906, the latter court held that the injunction should be enlarged by perpetually enjoining the Chesapeake and Ohio from taking less than the rates fixed in its published tariff of freight rates for the carriage of coal.

This is a very important decision. Under it a railroad cannot, by choosing to be a dealer, favor one customer over another. The intent of the law is to secure equal rates to all in a like situation, and to destroy favoritism.

### Unjust Classification.

Proceedings were instituted in Ohio in July, 1904, in behalf of the Interstate Commerce Commission against the Cincinnati,



Hamilton and Dayton Railway Company, the Pittsburg, Cincinnati, Chicago and St. Louis, the Pennsylvania Railroad, the Cleveland, Cincinnati, Chicago and St. Louis, the Lake Shore and Michigan Southern, the New York Central and Hudson River, and the Baltimore and Ohio.

The court, on November 25, 1905, enjoined the defendants from violating the order of the Interstate Commerce Commission with respect to unjust classification of the commodity involved.

### Discriminatory and Unjust Rates.

June 17, 1905, a bill in equity was filed in Louisville against the Illinois Central and several other railroads for discrimination and unreasonable rates. The case is still pending.

July 15, 1905, a bill in equity was filed in the northern district of Mississippi against the Mobile and Ohio Railway for the purpose of preventing discrimination in freight rates. This case is still pending.

### Accepting Rebates.

An indictment was returned in October, 1905, in the western district of Kentucky against Szorn & Co. for accepting rebates in violation of the Elkins law. The defendants pleaded guilty and were fined \$3,075.

October 13, 1905, two indictments were returned in the western district of Kentucky against Charles Wells and Hollis H. Price, charged with conspiring to make false weights and reports of weights of articles of interstate commerce. Price was fined \$1,025. The case against Wells was continued.

### Evading Published Rates.

November 13, 1905, a petition was filed in the eastern district of Wisconsin against the Milwaukee Refrigerator Transit Company, the Pere Marquette Railway Company, the Missouri, Kansas and Texas Railway Company, the Erie Railway, the Chicago, Rock Island and Pacific Railway Company, the St. Louis and San Francisco Railway Company, the Wisconsin Central, the Chicago and Alton, and the Pabst Brewing Company.

It is alleged that the Pabst Brewing Company is a large shipper of beer and the Milwaukee Refrigerator Transit Company is a transportation company owning and operating private cars, to which was given the control of the shipments of the brewing company by contract; that some of the principal stockholders of the brewing company were the controlling owners of the transportation company, and that while the full published rate was paid to the railroads, they returned to the transportation company, by way of commissions, 12 per cent. of the gross freight rates.

The Government claims that this transaction was in effect a device whereby the property was transported for less than the published rates. A demurrer was overruled and, therefore, the Government's legal action sustained. Since then a decree in favor of the Government has been entered, after full argument.

### Indictments for Rate Cutting.

July 1, 1905, indictments were returned in the northern district of Illinois against three officials of the packing house of the Schwarzchild & Sulzberger Company (believed now to be an independent concern, not in the beef trust), charging a conspiracy to obtain freight traffic at less than the published rates. To these indictments the defendants severally pleaded guilty, and were sentenced to pay fines aggregating \$25,000, with which sentence they have complied.

### Rebates and Refunding Passenger Fares.

December 13, 1905, an indictment was returned in the northern district of Illinois against the Chicago and Alton Railway Company, John N. Fairthorn, and Fred. A. Wann, for giving rebates

on dressed meats and packing-house products shipped from Kansas City, Kans., to Chicago and eastern points by the Schwarzschild & Sulzberger Company and for refunding passenger fares paid by the officials of that company for traveling over the Alton road. Special pleas in bar to the indictment were filed, to which the Government interposed demurrers, which were sustained. This case is now pending.

### Indictments for Rebating.

December 15, 1905, indictments were returned in the eastern district of Missouri against a number of railroad companies and individuals, charging them with violations of the Elkins law in the demanding and receipt of rebates. Some companies in the beef trust were made defendants in these cases. Several indictments were found and convictions ensued in the cases of several individuals. The United States will ask the court to impose a sentence of imprisonment against the individuals and fines against the corporations.

December 29, 1905, an indictment was returned in the northern district of Illinois against the Chicago, Burlington and Quincy Railway Company, D. Miller, and Claude G. Burnham for giving rebates in violation of the Elkins law.

To this indictment the defendants entered pleas of guilty, and fines aggregating \$60,000 were imposed by the court.

Three other important cases in this same category have been brought, one against the Suffolk and Carolina Railway Company, another against the New York Central and Hudson River Railroad Company, and another against the Delaware and Hudson Company for giving rebates, and are now pending.

### Sustaining the Colored Man's Rights and Protecting the Colored Man's Liberties.

Under the present Republican Administration the Government, through the Department of Justice, has taken action in the Federal courts, winning out at last in the United States Supreme Court, which will go further toward protecting the rights and liberties of the colored people in the Southern States than anything that has happened since the Civil War.

Complaint was made to the Federal authorities that throughout the South a practice existed under what is known as the "peonage statutes," by which men were held to labor for a debt. In almost all the cases the victims were colored men. Practically they were held in slavery, for means were found to keep them from getting free of debt, and as long as they remained in debt, they were virtually in bondage to their creditors. Investigation of the complaints revealed some most atrocious and heart-rending cases of cruelty and practical slavery that almost rivaled the days before the war.

The Government took quick action. The first case which was tried was argued in March, 1905, although prior thereto several hundreds of indictments had been returned. Action on these indictments was suspended awaiting the determination of the case of *Clyatt v. The United States*, brought under the thirteenth amendment to the Constitution.

The state of peonage, in which many persons were held, consisted in holding a man by compulsion to labor for a master to whom the peon owed a debt. Creditors compelled debtors—usually colored men—to work out their debts. The custom was very prevalent, and had its origin in the United States when the Territory of New Mexico was acquired.

The Government contended that compulsory service of this kind was, in fact, a form of involuntary servitude and therefore forbidden by the thirteenth amendment to the Constitution, which was passed, under the auspices of the Republican party, to give the negro his rights. It was also insisted that the amendment gave Congress the power to enact laws which should punish individuals who, not acting under State authority, attempted, with particular reference to this case, to hold or return persons into a state of peonage. The Supreme Court held that the Gov-



ernment's contentions, which were personally argued by the Attorney-General, were well founded; and, though the particular offenders in this special case escaped because the court held that the record did not contain sufficient evidence to justify their conviction, the effect has been most salutary.

An authoritative exposition of the law was obtained, and no person within the jurisdiction of the United States can be hereafter compelled by individuals to work out a debt as a peon. Following this decision the other indictments were pressed, and the result is that this form of involuntary servitude is being stamped out.

After this decision the Attorney-General personally argued another case involving the interpretation of the same amendment. In this it was found that a number of men had conspired to prevent some colored men, who were at work at a lumber mill, from performing their contract. The colored men were driven away from their work by armed force and intimidation, and these acts of violence were committed against them because of their race. The Government contended that to deprive a man of any measure of his right to work solely for the reason of race prejudice is an interference with the right of freedom guaranteed by the Constitution.

The court decided that the Government could not punish, but undoubtedly the States may punish such intimidation. Two justices of the Supreme Court, Mr. Justice Harlan and Mr. Justice Day, were of the opinion that the Government ought to punish.

### Government Helps Railroad Men.

One of the most important cases which the Government of the United States, under the Republican Administration, has fought successfully in the courts was the case of Johnson, an employe of the Southern Pacific Railroad Company, against that company for damages under the safety-appliance law. Johnson fought his case through the lower courts and was getting the worst of it, when his money gave out. An appeal was made to the Government, and the Department of Justice took up the case and carried it to successful issue in favor of Johnson before the Supreme Court of the United States.

The decision set a hard and fast rule in certain cases of personal injury, from which there can be no appeal, and which should operate in the future to enable every railroad man who receives injuries under the peculiar circumstances which prevailed in this case to make an appeal successfully for damages.

This was an action for personal injuries sustained by the plaintiff Johnson while engaged in coupling an engine to a dining car. The railway company is an interstate carrier and was alleged to be liable for damages under the safety-appliance law passed by Congress, which provides, in substance, that interstate carriers must equip their cars with automatic couplers which shall couple by impact. The engine and car were each fitted with automatic couplers, but, being of different makes, they failed to couple, and when the plaintiff went between the engine and the car to couple them he received his injuries.

Johnson was unsuccessful in the circuit court, and also in the circuit court of appeals, whereupon he filed a petition for a writ of certiorari in the Supreme Court, which was granted.

Owing to the great importance of the case to railway employes, the Government took an almost unprecedented step and obtained leave to intervene to argue the question relating to the proper construction of the remedial legislation of Congress.

The Government contended that an engine is a car within the meaning of the law, and that the law is not satisfied unless the automatic couplers couple by impact. An amendment to the law has passed since this case arose, making it clear that engines must have automatic couplers. This act, the Government contended, was merely declaratory of the intent of the first act. There was a further question in the case as to what constituted an interstate car, which the Government argued. The defendant contended that the dining car, because it was not en route, but was upon a siding, although ready for use and about to be used, was not an interstate car. The Government, on the other hand,



contended that a car regularly employed on interstate journeys does not lose its character because it is temporarily delayed.

The Government's contention received the unanimous approval of the court, and Johnson won his case.

Not content with this, the Government went further, and the Attorney-General issued a letter of instruction to all United States attorneys, in which he said:

It does not appear that any question can now arise as to the proper interpretation of the law, since this decision apparently settles every disputed point.

And the United States attorneys were informed that "the Government is determined upon the strict enforcement of these statutes," and they were instructed to pay particular attention to all cases of their violation brought to their attention by the Interstate Commerce Commission or its inspectors or by other persons.

Later, in the case of *The United States v. The Southern Railway Company*, the law was still more clearly interpreted and further strengthened. A strong point of this decision was that the exercise of reasonable care or due diligence on the part of the railway company is no defense to an action brought to recover the penalty for violation of the safety-appliance laws of 1893 and 1896.

In both of these decisions it was strongly emphasized that the purpose of the law was to protect the lives and limbs of men, and that it will be so construed by the courts as to accomplish that purpose. What law plainly requires is the equipment of cars with couplers which will automatically couple with each other, so as to render it unnecessary for men to go between the cars either to couple or uncouple.

These decisions have enabled the Government to obtain an effective enforcement of the law in practically all cases, and have brought about a vast improvement in conditions throughout the country. Since the decision against the Southern Railway Company no case has been contested in the courts. The carriers prefer to confess judgment and pay the penalty in cases of violation rather than to stand the chance of adverse judgment on a trial.

As a result the Interstate Commerce Commission have been able to secure the observance of a rule, practically in operation throughout the country, whereby the different carriers are required to refuse to accept interstate cars in exchange unless the safety appliances are in proper condition.

Another beneficent phase in this case for the railroad men is that the intervention of the Government and the decision of the court is warning to the railroad companies that the Government is looking out for the interests of the employees under this law.

#### Some National-Bank Cases.

The Government has been very vigilant in enforcing the national banking laws. Under this Administration several important cases have been tried.

In the eastern district of Pennsylvania Henry Lear was indicted, charged with misapplication of the funds of the Doylestown National Bank, and was sentenced to five years in the penitentiary. He sued out a writ of error, and the case is now pending.

In Wisconsin Frank G. Bigelow was charged with misapplying the funds of a national bank at Milwaukee, and was sentenced to ten years in the penitentiary.

M. C. Palmer, of New York, was charged with the misapplication of funds of a national bank while acting as its president, and was sentenced to five years at Albany.

The celebrated Cassie Chadwick case in Ohio was prosecuted by the Government, and the defendant was sentenced to a term of ten years in the Ohio penitentiary for conspiracy in the misappropriation of the funds of the Citizens' National Bank of Oberlin, Ohio.

Arthur B. Speer was jointly indicted with Cassie Chadwick and was sentenced to seven years in the penitentiary.

In the northern district of Iowa, W. E. Brown, a national-bank official, was indicted for violation of the national-bank laws. He was sentenced to five years in the penitentiary.

# The Tariff.

Since that 4th of July, 1789, when George Washington signed our first tariff law, a tariff "for the support of the Government, for the discharge of the debts of the United States, and for the protection and encouragement of manufactures," we have enacted between forty and fifty tariff laws culminating in what has been known as the Dingley law, approved July 24, 1897, and under which we have been operating to the present time.

During a large portion of our history the tariff has been made a political issue. It is the only issue by which the Democratic Party has been completely victorious in the nation in the single instance when it gained the Presidency and both Senate and House since the inauguration of Abraham Lincoln in 1861. The victory of the Democratic Party in 1892, like the victory of the same party in 1844, was due to questionable methods of presenting certain phases of our industrial situation to the voters of the country. Up to that time we had never been so prosperous as we were during the year 1892, at the close of which a free-trade President and Congress were elected. The people were deceived during that campaign as they were deceived during the campaign of 1844, which resulted in the election of Polk and Dallas and a free-trade Congress. It will be well, then, for the voters of 1906 to study carefully, first, the effect of our tariff laws in general, and to study in particular the comparison between the operation of the so-called Wilson-Gorman law, which was in effect from 1894 to 1897, and the Dingley law, which has been in effect since.

Tables showing the various phases of our industrial and commercial life will be presented on the following pages in which these comparisons can be seen. Even Free-Traders do not and cannot deny that the Dingley law has been the most successful tariff law that we have ever had. They do not and cannot deny the wonderful strides of progress and prosperity that we have made and the advancement that has come year after year under the operation of our present tariff. Protectionists are content to let the present law stand without change or amendment so long as present conditions prevail. When there is a substantial surplus of revenue; when there is a balance of trade exceeding over \$500,000,000; when every man and woman in the country who wants work and is worthy of it can find employment at high wages; when we are able to absorb a million immigrants a year without displacing any home labor; when our annual output of manufactures, even reaching the enormous values that have been attained during recent years, are insufficient to meet the demands of our prosperous people; when our consumption of the necessities of life are not only greater in the aggregate and per capita than is known elsewhere on earth, but greater than at any previous time in our own history; when our savings and investments and enjoyments of luxuries in addition to the necessities of life reach, year after year, record-breaking figures; when our bank clearings exceed annually \$150,000,000,000, three times the amount attained in 1896 under the Wilson-Gorman tariff, then it is that Protectionists say: "Let well enough alone and leave revision till

such a time as the conditions of our finances, commerce and industry demand." On the other hand, our free-traders or, as they prefer to call themselves, reformers and revisionists, maintain that the time has come when our industries no longer need protection and that the tariff is simply a method of robbery and a condition which enables our manufacturers to form monopolies and control prices. It will be well, therefore, to study this question most carefully, both in the light of past history and with an investigation of more recent and present figures and conditions. For that purpose it seems best, on the following pages, to present the various phases of this question in order that we may reach an honest conclusion as to whether it is advisable, under present circumstances, to think of changing our tariff in the least degree. The fact that we are importing \$500,000,000 or \$600,000,000 worth of manufactures yearly shows that even with the protection which we now enjoy we are not able to keep out the wares of foreign competitors. A slight reduction in many of our schedules would result in the dumping into our market of perhaps a billion dollars' worth of manufactures annually more than we now import. That would mean a resort to one of two things: We would have to close our mills or reduce wages. There is possibly no other alternative.

Protectionists do not claim that schedules are sacred and never to be altered. They do claim, however, that the so-called American system of protection as exemplified by the operation of the Dingley law for nine years is sacred and must be maintained. We do not have to theorize in the least degree on this subject; we do not have to resort to guesswork; we do not have to base our conclusions upon supposition. We have tried and tried thoroughly both high and low tariffs and we have experience as an example to guide us in reaching the truth.

We need go back no further in our history than a decade to learn that a low tariff means insufficient revenue, means a closing of our manufactories, means idleness for millions of our laborers and low wages for other millions and unprofitable prices for our farmers. Three years was quite sufficient time, for instance, to test the value of free wool. It did not help our manufacturers, but it came near ruining the industry because of the inability of the people to pay profitable prices for woollens. When it is understood that a considerable more than half of the value of our products in manufacturing is made up of the value of so-called raw material, and that fully two men are employed upon the preparation of that raw material where one man works in turning it into the finished product, it will be seen what a delusion is the free-trade cry for free raw material or even cheap raw material. We have free cotton, and yet we buy \$50,000,000 worth of cotton goods from abroad. England has free raw material and cheap labor and yet we have passed her in the possession of foreign markets. There is no example in all history where free or cheap raw material and cheap labor has any advantage whatever over our own system of Protection to all our labor and all our industries. In every section of the country, fortunately for our people, the predominant party to-day is harmonious and united upon the central idea of maintaining a protective tariff. A mere handful, however, of the Republican Party have been asking that the duty be removed or reduced upon certain materials entering into the products of their own locality. It is believed that this demand has been made more for political



than economical results. We have heard perhaps more of free hides than of anything else, though some have asked for free lumber, free wood, pulp and free coal. It is not claimed by those who asked for free hides that consumers would get their boots and shoes for a single cent less in price. It is not promised that the laborers in that industry would get a cent more in wages. There is but one inference, then, and that is that if any one gained any advantage it would go wholly into the pockets of the manufacturers, and yet it can readily be shown that even that could not be true, for the demand for their wares would fall off from the consumers, who would lose the benefit of the moderate tariff now imposed upon the material which they sell.

It is designed to present every phase of the tariff question in the following pages, through the tables presented and the various extracts from speeches, documents and other data which is given. It is the purpose of the editor of this work to present the subject simply as it exists to-day without any idea whatever of presenting any extreme view, or anything but a rational and absolutely fair picture of present-day conditions added to historical facts and experience.

### Protection and Free-Trade.

As it has been agreed by our economists that a tariff for revenue only is also practical free-trade, it may be well to define and explain clearly just what is meant by the terms Protection and Free-trade. There is probably no better definition of the term Protection than that given by Senator George F. Hoar, as follows:

Protection, as used in our political and economic discussions, is the imposing of such duties on the importation of foreign products as will prevent a domestic producer of the same article from having his business destroyed by the competition of the foreign import, while he establishes it; or will enable him to maintain the production, without its being destroyed or rendered unprofitable by the competition of the foreign article after it is established, when he could not otherwise so establish or maintain it; or the enabling him to pay larger wages in such production than he could pay if he were subject to the foreign competition.

The term Free-Trade has never had a better explanation than that given by its foremost apostle and advocate in this country, Professor W. G. Sumner:

Free-Trade: The term "Free-Trade," although much discussed, is seldom rightly defined. It does not mean the abolition of custom houses, nor does it mean the substitution of direct for indirect taxation, as a few American disciples of the school have supposed. It means such an adjustment of taxes on imports as will cause no diversion of capital from any channel into which it would otherwise flow, into any channel opened or favored by the legislation which enacts the customs. A country may collect its entire revenue by duties on imports and yet be an entirely Free-Trade country, so long as it does not lay those duties in such a way as to lead any one to undertake any employment or make any investment he would avoid in the absence of such duties; thus the customs duties levied by England, with a very few exceptions, are not inconsistent with her profession of being a country which believes in Free-Trade. They either are duties on articles not produced in England, or they are exactly equivalent to the excise duties levied on the same articles if made at home. They do not lead any one to put his money into the home production of an article, because they do not discriminate in favor of the home producer.

It therefore follows that duties which are not Protective, in other words duties which are not fully equal to the difference in the cost of labor in the United States and the cost of the same or similar labor on the same article abroad, are Free-Trade duties, in fact, and in effect, just as much as if there were no duties whatever upon the commodity so far as affects our ability to produce that commodity at a prevailing labor cost. If, for instance, a duty of thirty cents is necessary upon a yard of cloth to keep out a yard of similar foreign-made material, and the duty is then lowered to twenty-five cents a yard, thereby enabling the foreign

producer to pay the duty and enter our markets at the same or a lower price than is quoted on our own production, then the duty of twenty-five cents results in Free-Trade in that commodity. When, therefore, Free-traders are shy of using the term and resort to the terms of Tariff Reform, Tariff Reduction, Tariff Revision, etc., they are begging the question and deceiving both themselves and their followers. Our duties must be either Protective duties or Free-Trade duties, and the moment they cease to be Protective they result in Free-Trade. The terms Protection and Free-Trade will, therefore, be used, and used honestly and fairly throughout this work.

### History of Our Tariffs and Various Revisions.

From the time of the landing of the Pilgrims in 1620 to the formation of our Government under a constitution in 1789 there were in this country no general duties upon imports; in short, we were living under Free-Trade, and foreign nations were able to place in our market without restraint every article which we were liable to buy. After we had secured independence and were united as a confederacy during the years from 1783 to 1789, when we existed as a union of colonies, this Free-Trade was accompanied by most disastrous results. The wares of foreign countries, and particularly of Great Britain, were dumped upon our shores, for which our money went abroad until we were drained of all our specie and had not even a dollar left as a circulating medium. Because of the goods which came from abroad our own laborers were idle, and nothing but debt and ruin stared us in the face.

This state of affairs was one of the principal causes which led to the adoption of a Constitution and a uniform Government throughout the States in 1789. It is not surprising, then, that the first law placed upon our statute books affecting the people was a Tariff law intended not only as a means of revenue, but for the encouragement and Protection of manufactures. The effect was at once seen in the industrial progress which we made in both agriculture and manufactures, in spite of the attempts of the mother country to crush our every industry in the States.

No material and complete revision of our first tariff of 1789 was made until 1812, when it was enacted:

"That an additional duty of 100 per cent. upon the permanent duties now imposed by law upon goods, wares, and merchandise imported into the United States shall be levied and collected upon all goods, wares, and merchandise which shall, from and after the passing of this act, be imported into the United States from any foreign port or place."

And it was further enacted:

"That this act shall continue in force so long as the United States shall be engaged in war with Great Britain and until the expiration of one year after the conclusion of peace, and no longer: *Provided, however,* That the additional duties laid by this act shall be collected on all such goods, wares, and merchandise as shall have been previously imported."

This was the only complete revision of the tariff that has taken place in our history on account of war. The increase in tariff rates, coupled with the prohibitions of non-intercourse, threw us on our resources and resulted in the establishment of many new industries, which, in spite of the ravages of war, brought immense increase of national wealth and business activity. In a special message to Congress, February 20, 1815, President Madison asked:

"Deliberate consideration of the means to preserve and promote the manufactures which have sprung into existence and attained an unparalleled maturity throughout the United States during the period of the European wars."

### Tariff Act of 1812.

The tariff act of 1812 provided for its own termination, which would have come without any legislation on February 17, 1816,



one year after the treaty of Ghent was ratified. It was feared that the duties existing before the war would not afford sufficient protection to our newly established industries, and it was pretty well agreed on all sides that those duties should be increased. First, the act of 1812 was continued until June 30, 1816.

It was undoubtedly the purpose of the Members of the Fourteenth Congress to give us in the law of 1816 a thoroughly protective tariff, and yet it proved a failure, not because the principle upon which it was based was not protective in character, but because the spirit of industrialism which then prevailed in the mother country was such as to overcome with an inundation of goods the effects of protection which were not protective, simply because duties were not made high enough. In other words, moderate protection was no protection at all, and when England resolved to flood our country with her great accumulation of goods of all kinds, our tariff did not prove a sufficient barrier.

Our present revisionists would do well to study with great care the conditions and the results of that period of our history. For eight years we suffered as only a nation can suffer when she buys her goods from abroad and her own artisans are idle and unproductive. It was during this period that the tariff question as a great national policy came to the front in our politics and was most thoroughly debated, not only in both Houses of Congress but by the press and on the platform and through numberless pamphlets and speeches made throughout the country.

The result was a new tariff in 1824, which was intended to be, and which proved to be, thoroughly protective in character, and in the words of President McKinley: "The nation was quickened into new life, and the entire country under the tariff moved on to higher triumphs in industrial progress, and to a higher and better destiny for all of its people."

### Revision in 1828.

So satisfactory was this tariff that it was still further revised in 1828, and higher duties substituted to such a degree that by its enemies it was called the "tariff of abominations," and its enactment marked the beginning of the secession spirit at the South, which led to nullification in 1832 and rebellion in 1861. In fact, it was the tariff of 1828 which brought about a sectional division which has not since been eradicated. Daniel Webster, the free-trader of the early part of the century, seeing the benefits which accrued from the protective tariff in 1824, became himself one of the staunchest advocates of protection, because he saw that it was a benefit to the whole country, while John C. Calhoun, who had been a protectionist while Webster was a free-trader, now believing that free trade would be better for his State and section, and jealous of the growing power of the North because of protection, became an ardent free-trader.

The time spent in revising the tariff into the law of 1816 was thirty-nine days of actual consideration by both Houses of Congress and the President.

A considerable portion of the Sixteenth Congress, which began in December, 1819, was given up to a tariff controversy, but without legislation. The discussion was, however, productive of good.

### Failure to Revise Upward.

As the country was now aroused to the necessity of a tariff which would put an end to foreign competition, the failure to revise the tariff in 1820 was a most severe disappointment to the protectionists throughout the country. Mr. Niles cites the case of a paper in Kentucky, the Lexington Public Inquirer, which at the failure of the bill came out with a black border and column rules, saying:

"Mourn, O ye sons and daughters of Kentucky! O ye inhabitants of the United States, put on sackcloth and ashes, for the great enemy of your independence has prevailed. You must still remain prostrate. Your agricultural productions must lie and rot on your hands."

Meetings were now held in various parts of the country, and



memorials from all sides were presented to Congress. The Seventeenth Congress contented itself with resolutions, but no tariff legislation followed. The Eighteenth Congress, however, which met in December, 1823, took the matter up almost immediately. A bill was reported on January 9, 1824, and a discussion began on February 10. It passed on the 16th of April. The Senate began its consideration on the 28th of April and passed it on the 13th of May, it being signed by the President on May 25, having been debated and passed and approved in less than five months.

The Twentieth Congress met in December, 1827, and the new tariff bill was brought in on the last day of January following. It occupied the time of the House and the Senate about four months.

The so-called modified tariff of 1832 was not by any means a thorough revision, but simply contained amendments to the act of 1828. The compromise tariff of 1833 was, however, an entirely new measure, and was the result of conciliation to meet the demands of Southern leaders. The enactment of the amendments to the tariff of 1828, which became known as the tariff of 1832 occupied but a few months, and was immediately followed by nullification.

### Compromise Tariff of 1832.

On the assembling of the Twenty-second Congress in December 1832, the questions of nullification and the tariff were, of course uppermost. A bill was reported on the 27th of December and discussion began on the 5th of January. On the 11th of February Mr. Clay gave notice in the Senate that he should on the next day ask leave to introduce a bill to modify the various acts imposing duties on imports. It was then that the basis of the compromise tariff was presented, and it must be remembered that it was presented by the father and founder of the American system of protection, as exemplified in the acts of 1824 and 1828. But Mr. Clay loved his country better than a section, and he believed that through compromise and conciliation he might save the Union, expecting that there would be found a way to protect our industries after the Union had been saved.

In the House of Representatives the so-called "Verplanck" bill had been for several weeks under debate, but the House was evidently waiting to see what the Senate would do, and the debates dragged along most wearily. On February 25, two days after the bill had passed the Senate, it was substituted in the House for the bill there pending, and it was approved by the President on March 21. But a few weeks had transpired in its discussion and enactment. In fact, up to this time three or four months at the longest was required for the framing and discussion and passage of a tariff law. Moreover, at no time could the tariff itself up to this period be called a paramount issue. Since 1820 the slavery question had been at the front, and the tariff question was always secondary. Even in the debate over the compromise of 1833 it was felt that the compromise itself was but a means toward an end—namely, the adjustment of the slavery question for the time being, if not for several years to come. The protectionists of the North preferred peace before all things and sacrificed the material interests of the country in order that peace might prevail.

The fiscal year 1834 then was entered upon with the prospect of constantly decreasing duties until all should be wiped out but 20 per cent. by 1842. The crash came in 1837, and the worst panic and business depression which the country had yet known followed.

### Tariff of 1842.

In 1840 the Democrats, in their platform, condemned protection and indorsed practical free trade, while the Whigs, although they adopted no platform, presented as their candidate William Henry Harrison, who was a strong protectionist. Mr. Harrison was elected, and with him John Tyler as Vice-President. Not only were these candidates successful, but a decided protectionist majority was elected to the next Congress. This Congress did not

meet till December, 1841. Several attempts had been made to change the tariff of 1833, but none had been successful, and when the Twenty-seventh Congress was called together by President Harrison to meet in extraordinary session, May 31, 1841, although Mr. Harrison had been succeeded by Mr. Tyler, the condition of the Treasury was such as to require immediate attention. The last reduction under the tariff of 1833 had not yet taken place. Mr. Tyler, who had been professedly a protectionist while he was a candidate, now became hostile to his party interest and gave warning that the compromise act should not be altered except under urgent necessity.

The new tariff bill was not taken up in the House until the 24th of July and was debated less than a week. It was delayed in the Senate until the 27th of August and was passed almost immediately on the 31st. Here it will be seen that it required but little more than a month to enact a tariff law which was really a complete revision, and which took the place of a tariff then in operation. This law, although hastily constructed and passed, was by far the most elaborate bill which the country had known up to that time. It was made up of schedules consistently arranged and the specific duties were equitably imposed on both raw material and finished product.

### Tariff of 1846.

The tariff of 1846 was framed by the Secretary, Robert J. Walker of Mississippi. Mr. Walker was a pronounced free-trader, and took the very first opportunity which his new position allowed him to start the machinery for the repeal of the tariff of 1842. Under that tariff the country had been exceedingly prosperous since its adoption. Hope revived and industry throughout the country felt a new impulse. The prosperity of the country continued, and in addition to the increased business activity, the act of 1842 was also a good revenue raiser; in fact, the law was successful in every respect, and there was no reason whatever for its repeal on the ground of helping either industry or labor or the revenue. The reason lay far back of that, and was much the same as the reason for nullification in 1832. The President, who had received the votes of Pennsylvania, and therefore had been elected because he was thought to be a protectionist, at once fell in with the Southern leaders, whose tool he became, and in his message to Congress advocated a change in the existing tariff laws. His Secretary of the Treasury went much further, and in his annual report, dated December 3, 1845, gave to Congress one of the most famous tariff documents ever promulgated in this country. All students of the tariff should read this paper of Secretary Walker, although it can only be referred to here.

The Congress which met in December, 1845, organized in the House by the election of John W. Davis, of Indiana, a free-trader, as Speaker, who appointed a Committee of Ways and Means consisting of six Democrats, five of whom were free-traders, and three Whigs. A bill was not reported for some time, in fact, not until the middle of April, and it was not considered in Committee of the Whole until the middle of June. The bill was passed by the House on July 3, was placed before the Senate on July 13 and passed on July 28. The final vote on its passage in the Senate is one of historical interest, resulting in a tie, when the Vice-President, Mr. Dallas, elected because he was supposed to be a protectionist, cast the deciding vote with the free-traders, making the passage of the bill a possibility.

### Eleven Years of Free-Trade.

This tariff of 1846, or the Walker tariff, as it was called, remained practically unchanged for eleven years. A discussion of the merits of the bill, of the changes brought about by its adoption, and the result upon the industries of the country would require volumes and must not be attempted here. It may simply



be stated that, abandoning all academic discussion upon the subject, accepting no editorial utterances, but confining ourselves to the news columns of the periodicals of the time, it brought idleness and poverty such as has seldom been known during any business depression of this country; and yet, in spite of this result, made especially apparent during the last few years of the life of the law, in 1857 the tariff was still further reduced, bringing a panic and further destruction of very many of our industries. It has been said that the vote in favor of the tariff of 1857 included many New England Members of Congress and many otherwise known as "protectionists." This is true, for the one reason that the President and Senate were absolutely against the North, and that even the House was Democratic on every issue except the slavery question. The northern manufacturers were not able to get protection for their finished product, and, in despair, they voted for a removal of the duty from the raw material of their goods, which in itself would give them a small measure of protection. The bill was debated from August, 1856, until its adoption on the last of February, 1857, again over six months being occupied in the passage of a bill which was not really a complete revision, but only amendments to another law.

The tariff of 1846, together with its offspring, the tariff of 1857, were in operation for a longer period of time than any other tariff in our history. It was also the longest continuous period of free trade which we have experienced since the foundation of the Government. Its trial was lengthy and thorough, and the result was disaster and ruin. The tariff question, however, was at the time a secondary question in politics and general interest throughout the country. The slavery question was paramount, and became so acute in 1854, that a new party was born, resolved to check the further extension of the slave power beyond the territory of the South. This party, known as the Republican party, did not at first make any attempt at an impossible solution of the tariff question. In fact, it was not until the Thirty-sixth Congress, which met in December, 1859, that they had a controlling number of members in either House of Congress. In the House, after eight weeks balloting, William Pennington, of New Jersey, a Republican, was chosen Speaker.

### First Republican Tariff Law.

Justin S. Morrill, of Vermont, was selected as chairman of the Ways and Means Committee, which at once framed a tariff upon thorough protection lines, both for the purpose of raising revenue to meet the necessary expenses of the Government and to protect our labor and industries. This bill passed the House of Representatives by a vote of 105 to 64 on May 11, 1860. When it reached the Democratic Senate, however, it was held up, and would never have been heard of again in that Congress had not several Southern Senators resigned their seats in the early part of 1861. After some debate the bill was passed by the Senate on February 20 of that year by a vote of 25 to 14, and it was signed by President Buchanan on March 2. Of this bill and its effect the Annual Encyclopedia for 1861 said:

"A revenue law affording uncommon protection to manufactures was enacted. This was proposed not for the purpose of husbanding the resources of the country in anticipation of approaching strife, but chiefly as a great party measure, and to secure an increase of prosperity to this great national interest. It has proved to be the wisest measure adopted during the session. It immediately checked the importation of foreign manufactures, secured the reduction of the debt of the country to other nations, caused a large importation of specie in payment of exports, and thereby enabled the citizens to advance loans to the Government in its most pressing hour."

This was the first measure enacted by the Republican Party, and since the enactment of the Morrill law in 1861, which was framed and enacted solely for the purpose of revenue and protection, the Republican Party has steadfastly and continuously advocated and adopted tariffs that have given protection to our labor and industries, and sufficient revenue, together with the internal revenue, to meet the necessary expenses of the Government.



### Tariff Becomes Paramount.

With perhaps the exception of the tariff of 1824, there was no time in the history of the country previous to 1880 when the tariff could be called the paramount issue in any election or discussion. Even in 1833, when the compromise tariff was enacted, it was but a portion of the greater issue of disunion. From that time until 1861 slavery and its extension, secession and rebellion so far overshadowed all other questions that, although at times most acrimoniously debated, none ever rose to the dignity of a paramount issue. Following the enactment of the Morrill tariff, and along with the several amendments made necessary by the war and by the condition of the country following the war, the war itself and reconstruction succeeded by our financial adjustments far overshadowed the tariff question.

In 1867 attention was given to the wool and woolen interests, and the increased duty resulted most favorably to those industries. The same was true of the amendments of 1870, which gave great impetus to our iron and steel industries, and especially to the manufacture of steel rails, upon which a specific duty of \$28 per ton was placed.

### Downward Revision of 1872.

In 1872, however, the reformers and revisionists thought it time for a general reduction, and to appease their clamor a horizontal cut of 10 per cent. was made. The panic of 1873 followed, due in part to this reduction. The 10 per cent. reduction was repealed in 1875, to the benefit of all industries.

Protection from 1861 up to 1880 had produced sufficient revenue not only to carry on the necessary expense of the Government, but to enable us to year after year reduce the great debt which had piled up during the Civil War. Our industries were flourishing, our country was developing both in manufactures and agriculture, our great railroads were being built, and our coast and lake commerce increased at rapid strides; and, yet, in spite of this great prosperity, in spite of the greatest industrial advance and increase of wealth which ever came to any nation in the same space of time, it was found in the campaign of 1880 and the years following that there was a desire on the part of a large number of our people to revise the tariff, and revision then meant, as it does now, reduction.

### "Friendly" Revision in 1883.

This question was an issue of the campaign of 1880, and although the Republicans and Protectionists won, the desire for revision would not down, and in 1882 so general was the cry that President Arthur, in response, appointed the famous tariff commission, whose recommendations were largely adopted by Congress, and the so-called "Commission law" of 1883 was framed and adopted.

The report of the Commission was presented to the Forty-seventh Congress at its second session, in December, 1882, and the law reached the President for his signature on March 3, 1883. If we include the time spent by the commission in its hearings and preparation of its report, we may charge nearly a whole year of time to the preparation and enactment of the tariff law of 1883. This law remained unchanged until the McKinley tariff of 1890, although during the years intervening the tariff question could be called not only the paramount question in politics and general discussion, but practically the only question.

The election of Mr. Cleveland in 1884 gave new hopes to the so-called "reformers" of the United States, now being encouraged by the free-traders of Great Britain, and in 1887 Mr. Cleveland in his message to Congress of that year devoted himself solely to the tariff question, advocating the doctrines set forth by the Cobden Club and the various free trade and reform elements of the United States. The result was the introduction of the Mills bill, a most iniquitous measure, which consumed months of debate

in both House and Senate, although it was known that the bill could not possibly become a law. But the message of Mr. Cleveland and the debate upon the Mills bill again lead to the tariff discussion during the Presidential campaign of 1888, when Mr. Cleveland was defeated by Mr. Harrison, and a Republican and protectionist House of Representatives was elected to join with the Republican Senate in framing an entirely new tariff law to supercede the one then in operation.

### Upward Revision in 1890.

The Fifty-First Congress met on December 2, 1889, and the House organized by the election of Thomas B. Reed as Speaker, who a week after appointed William McKinley, of Ohio, as chairman of the Ways and Means Committee. President Harrison in his message had recommended a revision of the tariff law, and the Ways and Means Committee entered at once upon the preparation of a complete and comprehensive bill. Even with a good working majority in both Houses of Congress, and with a desire to have a new law at the earliest possible day, the McKinley bill did not reach the President until October 1, upon which day it also went into operation. Nearly ten months were spent in its construction, debate, and enactment. But this law was apparently condemned by the people two years afterwards, when they again elected Mr. Cleveland to the Presidency, in 1892, and with him a Congress Democratic in both branches. Although the platform and candidates were pledged to an immediate reform of the tariff and to the enactment of a free-trade law, yet it was Aug. 27, 1894, before the tariff bill became a law, and then without the President's signature. It took the Democratic party nearly a year and a half to prepare and agree upon a tariff law, which when framed and amended and finally passed was not satisfactory to a single Member of either House of Congress, nor to the President, who would neither veto nor sign it. The effect of this law is too recent and too well-known to be more than alluded to here.

### Free Trade Revision in 1894.

Never before, perhaps, in the history of our country was the anticipation of legislation so keen as in the case of the Democratic tariff law of 1894. Immediately after the election of Mr. Cleveland in 1892, and with him the assurance that both Houses of Congress would be Democratic, the country awoke to the situation and began at once to prepare for it. It was not known what kind of a tariff law would be put on our statute books, but it was known that duties would be reduced all along the line, and that we would have practical free trade for many, if not all of our industries. The panic which had accompanied previous reductions of the tariff did not wait for the actual occurrence of the reduction of duties. Capitalists, manufacturers, and merchants all knew from previous experience what was to be expected, and so the panic came at once, and continued as long as the tariff continued.

### Return to Protection in 1897.

Fortunately, the people came to the rescue again in the next election, and gave us a Republican House of Representatives, while in 1896 Mr. McKinley was elected, and with him a good majority in both branches of the National Legislature. Again anticipation acted before realization, and just as soon as the commercial and financial interests of the country were assured of protection being restored hope returned and the busy wheels commenced to revolve and employment gave place to idleness, so that when the Dingley law went into operation, on July 24, 1897; after six months spent in its preparation, debate, and enactment, the country was prepared for the busy and prosperous years which followed, and which have continued until the present time.

### Average Time Spent in Tariff Revision

Our tariff history shows, in the first place, that on an average from six to twelve months are required for the preparation, hear-



ing debate and enactment of a tariff law. We have also spent many months of hearings and debates on bills which have not been enacted into law. It is always a period of the greatest suspense to all industrial and commercial interests, and this suspense has affected business in the past according as to whether the tariff under debate was to be revised upward or downward. We need not go back to our early history for illustrations of this effect, as they were not so keen during the first half of our history when the tariff question was not the uppermost subject of discussion, and when industrial development constituted but a small fraction of its present tremendous proportions, as has been the case during the last generation. A knowledge that the tariff will be reduced or increased has much the same effect as does the actual reduction or increase itself. This has been notably the case with regard to our last two laws, the so-called "Wilson-Gorman law" of 1894 and the "Dingley law" of 1897, both of which repealed the tariff then in operation. Till the enactment of the law of 1890 we have had no instance since 1861 of one law entirely replacing another. The various laws during and immediately after that law, the laws of 1867, 1870 and 1872, and even the Commission law of 1883, were amendatory rather than repealing, and so the entire country was not so much concerned as those engaged in industries which were known to be under consideration. But in 1892 and 1893, when it was known that our whole protective principle would be overturned and substituted by a law having for its basis free trade, our people were naturally apprehensive and prepared for the worst; in other words, they prepared for an inundation of foreign goods which would replace our own manufactures.

In 1896 the feeling was exactly the reverse. It was then known that the period of free trade would soon be followed by the enactment of a protective law, and that our own industries and labor would soon have sufficient protection against the competition of foreign mills in Europe and throughout the world.

### Disaster Has Invariably Attended Reductions.

The history of our tariff laws shows, too, that in every instance without exception since the foundation of the Government where the existing tariff or any part of it has been reduced there have followed disastrous consequences in all or a part of our industries. There has not been a single exception—not one. On the other hand, it can be said that in every instance where the tariff has been increased as a whole or upon single industries those industries and the commercial prosperity of the country at large have been increased and continued so long as that higher tariff itself continued. This, too, can be laid down as a rule without a single exception.

It must be admitted that during our history there have been reasons for a change in our tariff laws unconnected with the wants of our labor and industries. This has been the question of revenue. Here, again, we have never been in agreement, a portion of our people believing that low duties would bring large revenues. The opposite, however, has been the case. For a time, it is true, low duties might mean a large increase of importations and consequent increase in duties, but as our own idleness and low wages meant a loss of purchasing power, then importations must fall off and duties as well.

It was said that the reason for the lowering of the duties in 1857 was because of our redundant Treasury, and yet our redundant Treasury was not due to the receipt of customs under the Walker tariff, but to the receipts from the sales of public lands; but under the reduced duties of 1857 the revenue fell, as it did before and has since, under purely revenue laws, while on the contrary, under our protective tariffs our revenues have almost invariably been more than sufficient to meet the necessary expenses of the Government and to decrease our national debt. In fact, one of the reasons for the propaganda of the reformers from 1880 to 1890 was because our revenues were so large as to become almost a menace to good government.

Our history, then, shows wherever we have reduced the tariff, whether reduction has been brought about by our free-traders or



by protectionists, it has been more or less disastrous. This was the case in 1816, 1872, and 1883, when the tariff was supposed to be revised by its friends. In 1890, on the contrary, when it was revised by its friends, but when the rates were increased, the results were beneficial, and the years 1891 and 1892, under the operation of this law, were the most prosperous in our history up to that time, the assertions of Democratic orators and free-traders to the contrary notwithstanding.

#### IMPORTANT TARIFF REVISIONS.

Law of—	Reason for revision.	Time consumed.*	Nature of change	Result.
1812	War.....	No debate..	Rates doubled..	Beneficial.
1816	To provide new rates after repeal of war duties.	39 days...	Moderate protection.	Disastrous
1824	Ruinous condition of industries.	4½ months	Substantial increase.	Beneficial.
1828	To increase prosperity.....	4 months..	Further increase	Do.
1832	Conciliation.....	6 months...	Decrease.....	Injurious.
1833	Compromise to save the Union.	2 months..	....Do.....	Disastrous
1842	To save our industries.....	5 months..	Increase.....	Beneficial.
1846	To satisfy the Southern free traders.	3½ months.	Free trade and ad valorem duties.	Ruinous.
1857	To decrease the revenue and still further satisfy the South.....	6 months..	Further decrease	Bankrupt
1861	First Republican tariff for revenue and protection.	11 months.	Increase.....	Beneficial.
1861 1862 1863 1864 1865	To meet requirements of war.	Passed promptly.	General increase.	Do.
1867				
1870				
1872				
1875				
1870	To establish new industries, especially iron and steel.	4 months..	\$28 per ton on steel rails.	Do.
1872	To concillate "reformers"...	3 months..	10 per cent reduction.	Injurious.
1875	To correct act of 1872....	1 month...	Repeal of 10 per cent reduction.	Beneficial.
1883	To concillate revisionists...	2 months..	Reduction and increased free list.	Injurious.
1890	To meet existing conditions.	5½ months.	Increase and specific rates.	Beneficial.
1894	To try free trade.....	8 months..	Large reduction, free wool, etc.	Ruinous.
1897	To provide revenue and to protect our falling industries.	5 months..	Substantial increase.	Beneficial.

\* This is the time of actual debate and passage, exclusive of time spent in agitation, hearings, and preparation.

#### BISMARCK'S TRIBUTE TO PROTECTION.

(From a Speech in the Reichstag by Prince Bismarck, May 12, 1882.)

The success of the United States in material development is the most illustrious of modern times. The American nation has not only successfully borne and suppressed the most gigantic and expensive war of all history, but immediately afterward disbanded its army, found work for its soldiers and marines, paid off most of its debt, given labor and homes to all the unemployed of Europe as fast as they could arrive within the territory, and still by a system of taxation so indirect as not to be perceived, much less felt. Because it is my deliberate judgment that the prosperity of America is mainly due to its system of protective laws, I urge that Germany has now reached that point where it is necessary to imitate the tariff system of the United States.

Better run our home industries full blast all the year every year, and give away the surplus product in free-trade countries, than to be idle and buy foreign wares cheap or even accept them as a free gift.—Hon. M. N. Johnson.

Silent factories, vacant workshops, capital without return, workmen out of employ, children and women seeking the necessaries of life, will make little impression upon Democratic statesmanship.—Senator Geo. F. Hoar.

## TARIFF PLANKS IN NATIONAL PLATFORMS.

1856.

REPUBLICAN.—None.

DEMOCRATIC.—Reaffirmed; and this plank also adopted:

That there are questions connected with the foreign policy of this country which are inferior to no domestic question whatever. The time has come for the people of the United States to declare themselves in favor of free seas and progressive Free Trade throughout the world, and, by solemn manifestations, to place their moral influence at the side of their successful example.

1860.

REPUBLICAN.—That, while providing revenue for the support of the general Government by duties upon imports, sound policy requires such an adjustment of these imposts as to encourage the development of the industrial interests of the whole country; and we commend that policy of national exchanges which secures to the workingmen liberal wages, to agriculture remunerative prices, to mechanics and manufacturers and adequate reward for their skill, labor and enterprise, and to the nation commercial prosperity and independence.

DEMOCRATIC.—Reaffirmed.

(The eighth section of the Confederate Constitution contained these words:

Sec. 8. Congress shall have power to lay and collect taxes, duties, imposts and excises for revenue necessary to pay the debts, provide for the common defense, and carry on the Government of the Confederate States; but no bounty shall be granted from the Treasury, nor shall any duty or tax on importations from foreign nations be laid to promote or foster any branch of industry.)

1864.

REPUBLICAN.—None.

DEMOCRATIC.—None.

1868.

REPUBLICAN.—None.

DEMOCRATIC.— . . . A Tariff for revenue upon foreign imports, and such equal taxation under the internal revenue laws as will afford incidental Protection to domestic manufactures, and as will, without impairing the revenue, impose the least burden upon and best promote and encourage the great industrial interests of the country.

1872.

REPUBLICAN.—Revenue, except so much as may be derived from a tax upon tobacco and liquors, should be raised by duties upon importations, the details of which should be so adjusted as to aid in securing remunerative wages to labor, and promote the industries, prosperity and growth of the whole country.

DEMOCRATIC.— . . . Recognizing that there are in our midst honest but irreconcilable differences of opinion with regard to the respective systems of Protection and Free Trade, we remit the discussion of the subject to the people in their Congressional districts, and to the decision of the Congress thereon, wholly free from executive interference or dictation.

1876.

REPUBLICAN.—The revenue necessary for current expenditures and the obligations of the public debt must be largely derived from duties upon importations, which, so far as possible, should be adjusted to promote the interests of American labor and advance the prosperity of the whole country.

DEMOCRATIC.—We demand that all custom house taxation shall be only for revenue.

1880.

REPUBLICAN.—Reaffirmed.

DEMOCRATIC.—A Tariff for revenue only.

-1884.

REPUBLICAN.—It is the first duty of a good Government to protect the rights and promote the interests of its own people; the largest diversity of industry is most productive of general prosperity and of the comfort and independence of the people.

We therefore demand that the imposition of duties on foreign imports shall be made, not for "revenue only," but that, in raising the requisite revenue for the Government, such duties shall be so levied as to afford security to our diversified industries and Protection to the rights and wages of the laborer, to the end that active and intelligent labor, as well as capital, may have its just reward and the laboring man his full share in the national prosperity.

Against the so-called economical system of the Democratic Party, which would degrade our labor to the foreign standard, we enter our earnest protest; the Democratic Party has failed completely to relieve the people of the burden of unnecessary taxation by a wise reduction of the surplus.

The Republican Party pledges itself to correct the inequalities of the Tariff, and to reduce the surplus, not by the vicious and indiscriminate process of horizontal reduction, but by such methods as will relieve the taxpayer without injuring the laborer or the great productive interests of the country.

We recognize the importance of sheep husbandry in the United States, the serious depression which it is now experiencing, and the danger threatening its future prosperity; and we therefore respect the demands of the representatives of this important agricultural interest for a readjustment of duty upon foreign wool, in order that such industry shall have full and adequate Protection.

DEMOCRATIC.—The Democracy pledges itself to . . . reduce taxation to the lowest limit consistent with due regard to the preservation of the faith of the nation to its creditors and pensioners.

Knowing full well, however, that legislation affecting the occupations of the people should be cautious and conservative in method, not in advance of public opinion, but responsive to its demands, the Democratic Party is pledged to revise the Tariff in a spirit of fairness to all interests.

But in making reduction in taxes it is not proposed to injure any domestic industries, but rather to promote their healthy growth. From the foundation of this Government taxes collected at the custom house have been the chief source of Federal revenue. Such they must continue to be. Moreover, many industries have come to rely upon legislation for successful continuance, so that any change of law must at every step be regardful of the labor and capital thus involved. The process of reform must be subject to the execution of this plain dictate of justice.

All taxation shall be limited to the requirements of economical government. The necessary reduction in taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor, and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country.

Sufficient revenue to pay all the expenses of the Federal Government, economically administered, including pensions, interest and principal of the public debt, can be got, under our present system of taxation, from custom house taxes on fewer imported articles, bearing heaviest on articles of luxury, and bearing lightest on articles of necessity.

We therefore denounce the abuses of the existing Tariff, and, subject to the preceding limitations, we demand that Federal taxation shall be exclusively for public purpose, and shall not exceed the needs of the Government economically administered.



1888.

**REPUBLICAN.**—We are uncompromisingly in favor of the American system of Protection; we protest against its destruction as proposed by the President and his party. They serve the interests of Europe; we will support the interests of America. We accept the issue, and confidently appeal to the people for their judgment. The Protective system must be maintained. Its abandonment has always been followed by general disaster to all interests, except those of the usurer and the sheriff. We denounce the Mills bill as destructive to the general business, the labor and the farming interests of the country, and we heartily indorse the consistent and patriotic action of the Republican Representatives in Congress in opposing its passage. We condemn the proposition of the Democratic Party to place wool on the free list, and we insist that the duties thereon shall be adjusted and maintained so as to furnish full and adequate Protection to that industry throughout the United States.

The Republican Party would effect all needed reduction of the national revenue by repealing the taxes upon tobacco, which are an annoyance and burden to agriculture, and the tax upon spirits used in the arts and for mechanical purposes; and by such revision of the Tariff laws as will tend to check imports of such articles as are produced by our people, the production of which gives employment to our labor, and release from import duties those articles of foreign production (except luxuries), the like of which cannot be produced at home. If there shall still remain a larger revenue than is requisite for the wants of the Government, we favor the entire repeal of internal taxes rather than the surrender of any part of our Protective system at the joint behest of the whiskey trusts and the agents of foreign manufacturers.

**DEMOCRATIC.**—Reaffirmed.

The Democratic Party of the United States, in national convention assembled, re-renews the pledge of its fidelity to Democratic faith, and reaffirms the platform adopted by its representatives in the convention of 1884, and indorses the views expressed by President Cleveland in his last earnest message to Congress as the correct interpretation of that platform upon the question of Tariff reduction, and also indorses the efforts of our Democratic representatives in Congress to secure a reduction of excessive taxation.

The Republican Party controlling the Senate and resisting in both Houses of Congress a reformation of unjust and unequal tax laws, which laws outlasted the necessities of war and are now undermining the abundance of a long peace, deny to the people equality before the law, and the fairness and the justice which are their right. Then the cry of American labor for a better share in the rewards of industry is stifled with false pretense, enterprise is fettered and bound down to home markets, capital is discouraged with doubt, and unequal, unjust laws can neither be properly amended nor repealed.

The Democratic Party will continue with all the power confided to it the struggle to reform these laws in accordance with the pledges of its last platform, indorsed at the ballot-box by the suffrages of the people. Of all the industrious freemen of our land the immense majority, including every tiller of the soil, gain no advantage from excessive tax laws, but the price of nearly everything they buy is increased by the favoritism of an unequal system of tax legislation. All unnecessary taxation is unjust taxation.

It is repugnant to the creed of Democracy that by such taxation the cost of the necessities of life should be unjustifiably increased to all our people. Judged by Democratic principles, the interests of the people are betrayed when, by unnecessary taxation, trusts and combinations are permitted to exist, which, while unduly enriching the few that combine, rob the body of our citizens by depriving them of the benefits of natural competition. Every Democratic rule of governmental action is violated when through unnecessary taxation a vast sum of money, far beyond the needs of an economical administration, is drawn from the people and the channels of trade, and ac-

cumulated as a demoralizing surplus in the national Treasury. The money now lying idle in the federal Treasury, resulting from superfluous taxation, amounts to more than one hundred and twenty-five millions, and the surplus collected is reaching the sum of more than sixty millions annually. Debauched by this immense temptation, the remedy of the Republican Party is to meet and exhaust, by extravagant appropriations and expenses, whether constitutional or not, the accumulation of extravagant taxation. The Democratic policy is to enforce frugality in public expense, and abolish unnecessary taxation. Our established domestic industries and enterprises should not, and need not, be endangered by the reduction and correction of the burdens of taxation. On the contrary, a fair and careful revision of our tax laws, with due allowance for the difference between the wages of American and foreign labor, must promote and encourage every branch of such industries and enterprises by giving them assurances of an extended market and steady and continuous operations in the interests of American labor, which should in no event be neglected. Revision of our tax laws, contemplated by the Democratic Party, should promote the advantage of such labor by cheapening the cost of necessities of life in the home of every workingman and at the same time securing to him steady, remunerative employment. Upon this question of Tariff reform, so closely concerning every phase of our national life, and upon every question involved in the problem of good government, the Democratic Party submits its principles and professions to the intelligent suffrages of the American people.

(Additional Resolution.)—That this convention hereby indorses and recommends the early passage of the bill (Mills bill) for the reduction of the revenue, now pending in the House of Representatives.

1892.

**REPUBLICAN.**—We reaffirm the American doctrine of Protection. We call attention to its growth abroad. We maintain that the prosperous condition of our country is largely due to the wise revenue legislation of the Republican Congress.

We believe that all articles which cannot be produced in the United States, except luxuries, should be admitted free of duty, and that on all imports coming into competition with the products of American labor there should be levied duties equal to the difference between wages abroad and at home.

We assert that the prices of manufactured articles of general consumption have been reduced under the operations of the Tariff act of 1890.

We denounce the efforts of the Democratic majority of the House of Representatives to destroy our Tariff laws piecemeal, as is manifested by their attacks upon wool, lead and lead ores, the chief products of a number of States, and we ask the people for their judgment thereon.

We point to the success of the Republican policy of reciprocity, under which our export trade has vastly increased and new and enlarged markets have been opened for the products of our farms and workshops.

We remind the people of the bitter opposition of the Democratic Party to this practical business measure, and claim that, executed by a Republican administration, our present laws will eventually give us control of the trade of the world.

**DEMOCRATIC.**—We denounce the Republican Protection as a fraud, a robbery of the great majority of the American people for the benefit of the few. We declare it to be a fundamental principle of the Democratic Party that the Federal Government has no constitutional power to impose and collect Tariff duties, except for the purpose of revenue only, and we demand that the collection of such taxes shall be limited to the necessities of the Government when honestly and economically administered.

We denounce the McKinley Tariff law enacted by the Fifty-first Congress as the culminating atrocity of class legislation; we indorse the efforts made by the Democrats of the present Congress to modify its most oppressive features in the direc-



tion of free raw materials and cheaper manufactured goods that enter into general consumption, and we promise its repeal as one of the beneficent results that will follow the action of the people in intrusting power to the Democratic Party. Since the McKinley Tariff went into operation there have been ten reductions of the wages of laboring men to one increase. We deny that there has been any increase of prosperity to the country since that Tariff went into operation, and we point to the dullness and distress, the wage reductions and strikes in the iron trade, as the best possible evidence that no such prosperity has resulted from the McKinley act.

1896.

**REPUBLICAN.**—We renew and emphasize our allegiance to the policy of Protection as the bulwark of American industrial independence and the foundation of American development and prosperity. This true American policy taxes foreign products and encourages home industry; it puts the burden of revenue on foreign goods; it secures the American market for the American producer; it upholds the American standard of wages for the American workingman; it puts the factory by the side of the farm, and makes the American farmer less dependent on foreign demand and price; it diffuses general thrift, and founds the strength of all on the strength of each. In its reasonable application it is just, fair, and impartial, equally opposed to foreign control and domestic monopoly, to sectional discrimination and individual favoritism.

We denounce the present Democratic Tariff as sectional, injurious to the public credit, and destructive to business enterprise. We demand such an equitable Tariff on foreign imports which come into competition with American products as will not only furnish adequate revenue for the necessary expenses of the Government, but will protect American labor from degradation to the wage level of other lands. We are not pledged to any particular schedules. The question of rates is a practical question, to be governed by the conditions of the time and of production; the ruling and uncompromising principle is the Protection and development of American labor and industry. The country demands a right settlement, and then it wants rest.

We believe the repeal of the reciprocity arrangements negotiated by the last Republican administration was a national calamity, and we demand their renewal and extension on such terms as will equalize our trade with other nations, remove the restrictions which now obstruct the sale of American products in the ports of other countries, and secure enlarged markets for our farms, forests and factories.

Protection and reciprocity are twin measures of Republican policy and go hand-in-hand. Democratic rule has recklessly struck down both, and both must be re-established. Protection for what we produce; free admission for the necessities of life which we do not produce; reciprocity agreements of mutual interests, which gain open markets for us in return for our open market to others. Protection builds up domestic industry and trade and secures our own market for ourselves; reciprocity builds up foreign trade and finds an outlet for our surplus.

We condemn the present administration for not keeping faith with the sugar products of this country. The Republican Party favors such Protection as will lead to the production on American soil of all the sugar which the American people use, and for which they pay other countries more than \$100,000,000 annually.

To all our products—to those of the mine and the fields, as well as those of the shop and factory; to hemp, to wool, the product of the great industry of sheep husbandry, as well as to the finished woollens of the mills—we promise the most ample Protection.

**DEMOCRATIC.**—We hold that Tariff duties should be levied for purposes of revenue, such duties to be so adjusted as to operate equally throughout the country, and not discriminate be-



tween class or section, and that taxation should be limited by the needs of the Government, honestly and economically administered.

We denounce as disturbing to business the Republican threat to restore the McKinley law, which has twice been condemned by the people in national elections, and which, enacted under the false plea of Protection to home industry, proved a prolific breeder of trusts and monopolies, enriched the few at the expense of the many, restricted trade, and deprived the producers of the great American staples of access to their natural markets.

Until the money question is settled we are opposed to any agitation for further changes in our Tariff laws, except such as are necessary to meet the deficit in revenue caused by the adverse decision of the Supreme Court on the income tax. But for this decision by the Supreme Court there would be no deficit in the revenue under the law passed by a Democratic Congress in strict pursuance of the uniform decisions of that court for nearly one hundred years, that court having in that decision sustained constitutional objections to its enactment, which had previously been overruled by the ablest judges who have ever sat on that bench. We declare that it is the duty of Congress to use all the constitutional power which remains after that decision, or which may come from its reversal by the court as it may hereafter be constituted, so that the burdens of taxation may be equally and impartially laid, to the end that wealth may bear its due proportion of the expenses of the Government.

We hold that the most efficient way of Protecting American labor is to prevent the importation of foreign pauper labor to compete with it in the home market, and that the value of the home market to our American farmers and artisans is greatly reduced by a vicious monetary system, which depresses the prices of their products below the cost of production, and thus deprives them of the means of purchasing the products of our home manufactories; and, as labor creates the wealth of the country, we demand the passage of such laws as may be necessary to Protect it in all its rights.

1900.

**REPUBLICAN.**—We renew our faith in the policy of Protection to American labor; in that policy our industries have been established, diversified and maintained. By Protecting the home market competition has been stimulated and production cheapened. Opportunity to the inventive genius of our people has been secured and wages in every department of labor maintained at high rates, higher than ever before, and always distinguishing our working people in their better condition of life from those of any competing country. Enjoying the blessings of the American common school, secure in the right of self-government, and Protected in the occupancy of their own markets, their constantly increasing knowledge and skill have enabled them to finally enter the markets of the world. We favor the associated policy of reciprocity so directed as to open our markets on favorable terms for what we do not ourselves produce, in return for free foreign markets. . . .

The Dingley act, amended to provide sufficient revenue for the conduct of the war, has so well performed its work that it has been possible to reduce the war debt in the sum of \$40,000,000. So ample are the Government's revenues and so great is the public confidence in the integrity of its obligations that its newly funded 2 per cent. bonds sell at a premium. The country is now justified in expecting, and it will be the policy of the Republican Party, to bring about a reduction of the war taxes.

**DEMOCRATIC.**—We condemn the Dingley Tariff law as a trust-breeding measure, skillfully devised to give the few favors which they do not deserve and to place upon the many burdens which they should not bear.

1904.

**REPUBLICAN.**—Protection which guards and develops our industries is a cardinal policy of the Republican Party. The measure of Protection should always at least equal the difference in the cost of production at home and abroad. We insist upon the maintenance of the principle of protection, and, therefore, rates of duty should be readjusted only when conditions have so changed that the public interest demands their alteration, but this work cannot safely be committed to any other hands than those of the Republican Party. To intrust it to the Democratic Party is to invite disaster. Whether, as in 1892, the Democratic Party declares the protective tariff unconstitutional, or whether it demands tariff reform or tariff revision, its real object is always the destruction of the protective system. However specious the name, the purpose is ever the same. A Democratic tariff has always been followed by business adversity; a Republican tariff by business prosperity. To a Republican Congress and a Republican President this great question can be safely intrusted. When the only free-trade country among the great nations agitates a return to Protection the chief protective country should not falter in maintaining it.

We have extended widely our foreign markets, and we believe in the adoption of all practicable methods for their further extension, including commercial reciprocity wherever reciprocal arrangements can be effected consistent with the principles of Protection and without injury to American agriculture, American labor, or any American industry.

**DEMOCRATIC.**—The Democratic Party has been, and will continue to be, the consistent opponent of that class of tariff legislation by which certain interests have been permitted, through Congressional favor, to draw a heavy tribute from the American people. This monstrous perversion of those equal opportunities which our political institutions were established to secure has caused what may once have been infant industries to become the greatest combinations of capital that the world has ever known. These especial favorites of the Government have, through trust methods, been converted into monopolies, thus bringing to an end domestic competition, which was the only alleged check upon the extravagant profits made possible by the protective system. These industrial combinations, by the financial assistance they can give, now control the policy of the Republican Party.

We denounce Protectionism as a robbery of the many to enrich the few, and we favor a tariff limited to the needs of the Government, economically, effectively, and constitutionally administered, and so levied as not to discriminate against any industry, class, or section to the end that the burdens of taxation shall be distributed as equally as possible.

We favor a revision and a gradual reduction of the tariff by the friends of the masses and for the common weal, and not by the friends of its abuses, its extortions, and its discriminations, keeping in view the ultimate end of "equality of burdens and equality of opportunities" and the constitutional purpose of raising a revenue by taxation, to wit, the support of the Federal government in all its integrity and virility, but in simplicity.

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I believe that the protective system, which has now for something more than thirty years continuously prevailed in our legislation, has been a mighty instrument for the development of our national wealth and a most powerful agency in protecting the homes of our workingmen from the invasion of want. It cannot be a perversion of the Constitution to so legislate as to preserve in the homes of our working people the comfort, independence, loyalty and sense of interest in the Government which are so essential to good citizenship in peace and which will bring this stalwart throng, as in 1861, to the defence of the flag when it is assailed.—President Benjamin Harrison, Message to Congress, 1892.

## OUR PRINCIPAL TARIFF LAWS.

Date of such act.	Character of the bill and other remarks.
1789, July 4.....	Specific and ad valorem rates, latter from 5 to 15 per cent.
1790, August 10...	Specific and ad valorem rates, latter from 3 to 15½ per cent.
1791, March 3....	This act only affected "spirits" paying specific duties.
1792, May 2.....	Specific and ad valorem rates, latter from 7½ to 15 per cent.
1794, June 7.....	Specific and ad valorem rates, latter from 1 to 20 per cent.
1795, January 29.	This act affected but few articles paying specific and ad valorem rates.
1797, March 3....	This act affected but few articles paying specific and ad valorem rates.
1797, July 8.....	This act only affected salt paying a specific duty.
1800, May 13.....	This act affected but few articles paying specific and ad valorem rates.
1804, March 26..	This act, commonly called "Mediterranean fund," imposing an additional duty of 2½ per cent. in addition to the duties now imposed by law.
1804, March 27..	This act affected but few articles paying specific rates.
1812, July 1.....	This act imposed DOUBLE DUTIES, known as WAR DUTIES.
1813, July 29....	This act only affected salt paying a specific duty.
1816, February 5.	This act continued the double duties to 30th of June, 1817.
1816, April 27....	Specific minimum and ad valorem rates, latter from 7½ to 30 per cent.
1818, April 20....	This act affected but few articles paying specific rates.
1819, March 3....	This act only affected "wines" paying specific rates.
1824, May 22....	Specific, minimum, compound and ad valorem, latter from 12 to 50 per cent., the first really Protective Tariff. Results were most beneficial.
1828, May 19....	Known as the Tariff of Abominations. Specific, minimum, compound and ad valorem, latter from 20 to 50 per cent.
1828, May 24....	This act only affected "wines" paying specific rates.
1830, May 20....	This act only affected "coffee, tea and cocoa," paying specific rates, and reducing the rates.
1830, May 29....	This act only affected "molasses" paying specific rates.
1830, May 29....	This act only affected "salt" paying specific rates.
1832, July 13....	This act only affected "wines of France" paying specific rates.
1832, July 14....	Specific, minimum, compound and ad valorem, the latter from 5 to 50 per cent.
1833, March 2....	Compromise act—looking to a reduction of duties to 20 per cent.
1841, Sept. 11....	Specific and ad valorem, latter from 12½ to 20 per cent.
1842, August 30..	Specific, minimum, compound and ad valorem, the latter from 1 to 50 per cent.
1846, July 30....	The rates of duty imposed by this act were exclusively ad valorem, and arranged by schedules.
1857, March 3....	A further reduction of rates which were exclusively ad valorem, arranged by schedules.
1861, March 2....	Went into effect April 12, 1861. Intended to raise the necessary revenue for the Government expenditures and afford Protection to our labor and industries.



- 1861, August 5...First of the war Tariffs, large increase in duties.  
 1861, Dec. 24.....Duties increased on sugar, tea and coffee.  
 1862, July 14.....Went into effect August 2, 1862. Further increase of rates.  
 1863, March 3;  
 1864, April 20,  
 June 30; 1865,  
 March 5; 1866,  
 March 15, July  
 28.....Bills changing and generally increasing duties.  
 1867, March 2...Rates increased on wool and woolens, giving great benefit to those industries.  
 1870, July 14, December 20.....General changes. Free list largely reduced. Duty of \$28 per ton on steel rails.  
 1872, May 1.....Tea and coffee made free.  
 1872, June 6....Went into effect August 1, 1872. Reduction of 10 per cent. Increased free list.  
 1874, June 22....Revised statute, with slight and unimportant changes.  
 1875, February 8. Known as the "Little Tariff Bill." General changes.  
 1875, March 3....Rates increased on sugar. Repeal of 10 per cent. reduction of act of June 6, 1872.  
 1879, July 1.....Quinine made free.  
 1880, July 14.....A few unimportant changes.  
 1882, May 6 and  
 December 3....Repeals discriminating duty.  
 1883, March 3....Went into effect July 1, 1883. Known as the Tariff Commission Bill. General revision, reduction and increased free list. Severe blow to wool industry.  
 1890, October 1..Went into effect October 6, 1890. Known as the McKinley Bill. Changes from ad valorem to specific rates. Enlarged free list. Sugar made free, a bounty being substituted. Reciprocity law.  
 1894, August 27..Known as the Gorman-Wilson Bill. Became a law without the President's signature. General reduction of duties. Wool put on free list. Results, both anticipatory and actual, were disastrous to all industry and labor.  
 1897, July 24.....Known as the Dingley Law and is still in operation unchanged. The most perfect and successful Tariff law ever enacted. Has brought and still maintains unprecedented prosperity.

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### CUSTOMS REVENUE.

Prominent free-traders who a few years ago were advocating the abolishment of all custom houses, now repudiate those declarations and insist that they are in favor of a Tariff for revenue only, and, yet under no low Tariff in our history, framed primarily for revenue purposes, have we had a surplus in our national treasury due to the operation of such law. On the other hand, protective Tariffs have always given us sufficient revenue to meet all necessary and normal expenditures.

Our first really protective Tariff was the law of 1824, supplemented by the law of 1828. From 1825 till 1836 we had an excess of receipts every year, but in 1836 our revenue felt the influence of the so-called compromise Tariff of 1833, and with but one exception, we had an excess of expenditures till 1844. During 1844-45-46, under the operation of the protective Tariff of 1842, we again had excess receipts, but for the three years following the Tariff of 1846 there came an excess of expenditures. Then for several years, due to large sales of public lands, our receipts were slightly in excess of our expenditures, but as soon

as the law of 1857 went into operation the excess of expenditures were very large till the outbreak of the Civil War. Immediately at the close of the war, however, under the operation of the Morrill Tariff and supplementary laws, we enjoyed an excess of receipts with the exception of a single year till 1890, our excess that year being \$105,000,000. The McKinley law was framed with a view to reduce this large surplus, and the following year the excess receipts were only \$37,000,000, dropping in 1892 to \$10,000,000, and in 1893 to but a little more than \$2,000,000. In 1894, owing to the anticipation of the Free Trade law which was to be enacted that year, our excess of expenditures amounted to \$70,000,000, and every year under the operation of the Wilson-Gorman Tariff our expenditures largely exceeded our receipts. In 1898-99 the excess of expenditures was, of course, due to the Spanish War; but in 1900 we again had an excess of receipts amounting to \$80,000,000, and for the three following years our excess of receipts amounting respectively to \$78,000,000, \$91,000,000 and \$54,000,000. In 1904, we would have had a surplus except for the Panama payments of \$54,000,000, which gave us an excess of expenditure amounting to \$42,000,000. In 1905, the excess of expenditure was \$23,000,000, due in part to the large appropriations made on account of the rural free delivery service, and the loss of revenue from the Cuban Treaty and other abnormal excesses.

For the fiscal year just closed, however, we have gained an excess of receipts amounting to \$25,693,459. The excess of receipts therefore under the Dingley law since the close of the Spanish War has amounted to over \$250,000,000. This is a complete vindication of a protective Tariff in general, and the Dingley law in particular. A large surplus is no more desirable than a deficit, but a small, substantial excess of receipts over normal and ordinary expenditures is just what a successful Tariff law is supposed to produce. The increase of receipts since the enactment of the Dingley law has been some \$200,000,000 in spite of large reduction in internal revenue taxation, and has fully met our increased expenditures, which have increased in keeping with our progress as a great nation. Since the beginning of the Government in 1789, our receipts and expenditures have each aggregated about \$20,000,000,000, and considerably more than half of these receipts have been from customs duties, a large part of which have been paid by foreigners for the privilege of placing their goods in our markets. The expenditures have all gone into the hands of the people and been used to purchase the necessities and luxuries of life. On the next four pages will be found a table showing our receipts and expenditures since the foundation of the Government. It will be seen that our excess of receipts correspond to the period of protective Tariffs, while our excess of expenditures correspond to the periods of low Tariffs. In other words, protective Tariffs have proved to be much better revenue-raisers than so-called revenue Tariffs. The reason is not hard to explain. Under protective Tariffs the people are prosperous and can buy largely of luxuries, increasing not only the internal revenue but the customs duties and imports. During low Tariffs or revenue Tariffs, or, what is the same thing, practically free trade, the people are compelled to be economical. The result is seen in the decreased internal revenue and decreased imports, principally of luxuries which bear the highest duties.

(From official reports of the United States Government, 1899.)

Year ending Dec. 31—	Administration.	Total net ordinary receipts.	Total net ordinary expenditures, plus interest on public debt.	Excess of receipts.	Excess of expenditures.	Tariffs.	Formulative period of tariffs.	Protective tariff (July 1, 1812, to June 30, 1816).	Low tariff (June 30, 1816, to June 30, 1824).
1791	Washington (April 30, 1789, to March 4, 1797).....	\$4,409,951.19	\$3,007,452.55	\$1,312,498.64	\$4,599,909.44	.....	.....	.....	.....
1792		3,693,960.31	8,263,860.75	.....	805,993.24	.....	.....	.....	.....
1793		4,652,323.14	3,846,929.90	.....	865,917.17	.....	.....	.....	.....
1794		5,431,904.87	6,297,822.04	.....	1,105,066.19	.....	.....	.....	.....
1795		6,114,534.59	7,309,600.78	.....	.....	.....	.....	.....	.....
1796		8,377,529.65	5,790,650.83	2,586,878.82	.....	.....	.....	.....	.....
1797		8,688,780.99	6,008,627.25	2,680,153.74	.....	.....	.....	.....	.....
1798	John Adams (March 4, 1797, to March 4, 1801).....	7,900,495.80	7,607,586.32	292,909.48	.....	.....	.....	.....	.....
1799		7,546,813.31	9,295,818.13	.....	1,749,004.82	.....	.....	.....	.....
1800		10,848,749.10	10,813,971.01	34,778.09	.....	.....	.....	.....	.....
1801		12,935,330.95	9,393,499.96	3,541,830.99	.....	.....	.....	.....	.....
1802	Jefferson (March 4, 1801, to March 4, 1809).....	14,995,793.95	7,976,252.07	7,019,541.88	.....	.....	.....	.....	.....
1803		11,064,097.63	7,952,286.60	3,111,811.03	.....	.....	.....	.....	.....
1804		11,826,307.38	8,637,907.65	3,188,399.73	.....	.....	.....	.....	.....
1805		13,660,693.20	9,014,348.84	4,646,344.36	.....	.....	.....	.....	.....
1806		15,559,931.07	9,449,177.62	6,110,753.45	.....	.....	.....	.....	.....
1807		16,398,019.26	8,354,151.37	8,043,867.89	.....	.....	.....	.....	.....
1808		17,060,661.93	9,061,413.06	7,999,248.85	.....	.....	.....	.....	.....
1809		7,773,473.12	10,280,747.04	.....	2,507,273.92	.....	.....	.....	.....
1810	Madison (March 4, 1809, to March 4, 1817).....	9,334,214.28	8,474,753.37	909,460.91	.....	.....	.....	.....	.....
1811		14,222,634.09	8,178,040.43	6,244,593.66	.....	.....	.....	.....	.....
1812		9,801,132.76	20,280,771.27	.....	10,479,638.51	.....	.....	.....	.....
1813		14,340,409.95	31,681,852.14	.....	17,341,442.19	.....	.....	.....	.....
1814		11,181,625.16	34,720,925.42	.....	23,539,300.26	.....	.....	.....	.....
1815		15,696,916.82	32,943,661.24	.....	17,246,744.42	.....	.....	.....	.....
1816		47,676,985.66	31,196,355.92	16,480,629.74	.....	.....	.....	.....	.....
1817	Monroe (March 4, 1817, to March 4, 1825).....	33,099,049.74	19,990,892.47	13,108,157.27	.....	.....	.....	.....	.....
1818		21,585,171.04	20,018,627.81	1,566,543.23	.....	.....	.....	.....	.....
1819		24,603,374.37	21,512,004.00	3,091,370.37	.....	.....	.....	.....	.....
1820		17,840,669.55	18,285,534.89	.....	444,865.34	.....	.....	.....	.....
1821		14,573,379.72	15,849,652.86	.....	1,276,173.14	.....	.....	.....	.....
1822		20,232,427.94	15,000,432.30	5,231,995.64	.....	.....	.....	.....	.....
1823		20,540,666.26	14,706,629.99	5,834,036.27	.....	.....	.....	.....	.....
1824		19,381,212.79	20,273,702.64	.....	892,489.85	.....	.....	.....	.....



## RECEIPTS AND EXPENDITURES OF THE UNITED STATES GOVERNMENT FROM 1791 TO 1906.

Year ending Dec. 31—	Administration.	Total net ordinary receipts.	Total net ordinary expenditures, plus interest on public debt.	Excess of receipts.	Excess of expenditures.	Tariffs.
1825	J. Q. Adams (March 4, 1825, to March 4, 1829).....	\$21,840,858.02	\$15,857,217.34	\$5,983,640.68	.....	Protective tariff (June 30, 1824, to Mar. 3, 1833).
1826		25,260,434.21	17,037,859.22	8,222,574.99	.....	
1827		22,966,363.96	16,139,167.16	6,827,196.80	.....	
1828		24,763,929.23	16,394,842.05	8,369,087.18	.....	
1829		24,827,627.38	15,184,065.63	9,643,561.75	.....	
1830	Jackson (March 4, 1829, to March 4, 1837).....	24,844,116.51	15,142,108.26	9,702,008.25	.....	
1831		28,526,820.82	15,237,816.64	13,289,004.18	.....	
1832		31,867,450.66	17,288,950.27	14,578,500.39	.....	
1833		33,948,426.25	23,017,551.93	10,930,874.27	.....	
1834		21,791,935.55	18,627,570.23	3,164,365.32	.....	
1835		35,430,087.10	17,572,813.36	17,857,273.74	.....	
1836		50,826,796.08	30,868,164.04	19,958,632.04	.....	
1837		24,954,153.04	37,243,214.24	.....	12,289,061.20	
1838	Van Buren (March 4, 1837, to March 4, 1841).....	26,302,561.74	33,864,714.56	.....	1,562,152.82	Low tariff (March 3, 1833, to Aug. 30, 1842).
1839		31,482,749.61	26,896,782.62	4,585,966.93	.....	
1840		19,480,115.33	24,314,518.19	.....	4,834,402.86	
1841		16,860,160.27	26,481,817.84	.....	9,621,657.57	
1842	Harrison-Tyler (March 4, 1841, to March 4, 1845).....	19,976,197.25	25,134,886.44	.....	5,158,689.19	
1843*		8,231,001.26	11,780,092.51	.....	3,549,791.25	
1844		29,320,707.78	22,483,560.14	6,837,147.64	.....	Protective tariff (Aug. 30, 1842, to Dec. 1, 1846).
1845		29,970,105.80	22,935,827.79	7,034,278.01	.....	
1846	Polk (March 4, 1845, to March 4, 1849).....	29,699,967.74	27,261,182.86	2,438,784.88	.....	
1847		26,467,403.16	54,920,734.09	.....	28,453,380.93	
1848		35,698,699.21	47,618,220.65	.....	11,919,521.44	
1849		30,721,077.50	43,499,078.30	.....	12,778,000.89	
1850	Taylor-Fillmore (March 4, 1849, to March 4, 1853).....	43,592,888.88	40,948,383.12	2,644,505.76	.....	Low tariffs (Dec. 1, 1846, to Apr. 1, 1861).
1851		52,555,039.32	47,751,478.41	4,803,560.92	.....	
1852		49,846,815.60	44,390,252.36	5,456,563.24	.....	
1853		61,587,031.68	47,743,989.09	13,843,042.59	.....	

REVENUE AND EXPENDITURES OF THE UNITED STATES GOVERNMENT FROM 1791 TO 1900.

Year ending Dec. 31—	Administration.	Total net ordinary receipts.	Total net ordinary expenditures, plus interest on public debt.	Excess of receipts.	Excess of expenditures.	Tariffs.
Pierce (March 4, 1853, to March 4, 1857).....		1854 \$73,800,341.40 1855 65,350,574.68 1856 74,056,699.24 1857 68,965,312.57	\$55,038,355.11 58,630,662.71 68,726,350.01 67,634,408.93	\$18,761,886.29 6,719,911.97 5,330,349.23 1,330,903.64	..... ..... ..... .....	Low tariff (Dec. 1, 1846, to Apr. 1, 1861).
Buchanan (March 4, 1857, to March 4, 1861).....		1858 46,655,365.96 1859 52,777,101.92 1860 56,054,599.83 1861 41,476,299.49	73,982,492.84 68,993,599.77 63,875,875.65 66,650,213.08	..... ..... ..... .....	27,327,126.88 16,216,491.85 7,821,275.82 25,173,913.59	
Lincoln-Johnson (March 4, 1861, to March 4, 1869).....		1862 51,919,261.09 1863 112,094,945.51 1864 243,412,971.20 1865 322,031,158.19 1866 519,949,564.38 1867 462,846,679.92 1868 376,434,453.82 1869 357,188,256.09	469,570,241.65 718,734,276.18 864,969,100.83 1,295,009,289.58 519,022,356.34 346,729,325.78 370,339,133.82 321,190,597.75	..... ..... ..... ..... 927,208.04 116,117,354.14 6,495,320.00 35,997,658.34	417,650,980.56 606,639,330.67 621,656,129.63 973,068,131.39 ..... ..... ..... .....	
Grant (March 4, 1869, to March 4, 1877).....		1870 395,959,833.87 1871 374,431,104.94 1872 364,694,229.91 1873 322,177,673.78 1874 299,941,000.84 1875 284,020,771.41 1876 290,066,584.70 1877 281,000,642.00	283,160,393.51 293,657,005.15 270,559,695.91 285,239,325.34 301,238,800.21 274,623,392.84 265,101,084.59 241,334,474.86	102,302,828.72 91,270,711.43 94,134,534.00 36,938,348.44 ..... 9,397,378.57 24,965,500.11 39,666,167.14	..... ..... ..... ..... 1,297,709.37 ..... ..... .....	Protective tariffs (Apr. 1, 1861, to Aug. 28, 1894).
Hayes (March 4, 1877, to March 4, 1881).....		1878 257,446,776.40 1879 272,322,136.83 1880 333,526,500.98 1881 360,782,292.57	236,964,326.80 266,947,883.53 264,847,637.36 259,651,638.81	20,482,449.60 5,374,253.30 68,678,863.62 101,130,653.76	..... ..... ..... .....	

## RECEIPTS AND EXPENDITURES OF THE UNITED STATES GOVERNMENT FROM 1791 TO 1906.

Year ending Dec. 31—	Administration.	Total net ordinary receipts.	Total net ordinary expenditures, plus interest on public debt.	Excess of receipts.	Excess of expenditures.	Tariffs.
1882	Garfield-Arthur (March 4, 1881, to March 4, 1885).....	\$403,525,250.28	\$257,981,439.57	\$145,543,810.71	.....	.....
1883		398,287,581.95	265,408,137.54	132,879,444.41	.....	.....
1884		348,519,869.92	244,126,244.36	104,393,625.56	.....	.....
1885		323,690,706.38	260,226,931.11	63,463,775.27	.....	.....
1886	Cleveland (March 4, 1885, to March 4, 1889).....	336,439,727.06	242,483,138.50	93,956,588.56	.....	.....
1887		371,403,277.66	267,932,179.97	103,471,097.69	.....	.....
1888		379,266,074.76	259,653,958.67	119,612,116.09	.....	.....
1889		387,050,058.84	281,996,615.60	105,053,443.24	.....	.....
1890	Benjamin Harrison (March 4, 1889, to March 4, 1893).....	403,080,982.63	297,736,486.60	105,344,496.03	.....	.....
1891		392,612,447.31	355,372,684.74	37,239,762.57	.....	.....
1892		354,937,784.24	345,093,330.58	9,914,453.66	.....	.....
1893		385,918,628.78	383,477,954.49	2,341,674.29	.....	.....
1894	Cleveland (March 4, 1893, to March 4, 1897).....	297,722,019.25	367,525,279.83	.....	69,803,260.58	.....
1895		313,300,075.11	356,195,298.29	.....	42,805,223.18	.....
1896		326,976,200.38	352,179,446.08	.....	25,203,245.70	.....
1897		347,721,705.16	365,774,159.57	.....	18,052,454.41	.....
1898	McKinley (March 4, 1897, to Sept. 14, 1901).....	405,321,335.30	443,368,582.80	.....	38,047,247.20	.....
1899		515,960,620.18	605,072,179.85	.....	89,111,559.67	.....
1900		567,249,851.89	487,713,791.71	79,537,060.18	.....	.....
1901		587,685,337.83	509,967,353.15	77,717,984.38	.....	.....
1902	Roosevelt (Sept. 14, 1901, to date).....	562,478,233.21	471,190,857.64	91,287,375.57	.....	.....
1903		560,396,674.10	506,099,007.04	54,297,667.06	.....	.....
1904		540,631,749.00	582,402,321.00	.....	41,770,592.00	.....
1905		544,274,685.00	567,278,913.00	.....	23,004,228.00	.....
1906		594,914,714.00	569,221,255.00	25,693,459.00	.....	.....
Total	.....	\$18,726,908,133.00	\$19,583,128,336.00	.....	\$856,220,203.00	.....

Protective tariffs.-(Apr. 1, 1861, to Aug. 28, 1894).

Low tariff (Aug. 28, 1894, to July 24, 1897).

Protective tariff (July 24, 1897, to date).



## OUR FOREIGN TRADE.

Again, during the fiscal year, 1906, both our exports and imports exceeded all previous records. The total amount of our foreign trade aggregated \$2,970,378,991. This is \$334,000,000 in value more than our total exports and imports of 1905. It is a most marvelous showing, particularly as regards exports for a country whose foreign trade is an incidental feature of its industrial life. With the highest-priced labor on earth, with dearer raw materials than are used by any other manufacturing nation, yet we to-day sell more of our wares abroad than any other country on earth. It is true that these foreign sales are largely made up of agricultural products, and yet our exports of manufactures are increasing at a relatively greater rate than our agricultural products. On the import side, in spite of the high prices of commodities which rule not only at home but abroad we are increasing our imports at such a rate that we are buying more of foreign goods than any other nation, with the exception of two. The volume of our imports testify most emphatically to the prosperity of our people, and prove most conclusively that our Tariff wall is none too high if we would shut out millions of dollars worth of foreign wares which should be made by our own workmen.

During the past three years our excess exports of silver has mounted each year to between \$21,000,000 and \$22,000,000, augmenting our exports of commodities by that amount. On the other hand, while the excess of gold imports of 1904 amounted to \$17,600,000, and in 1906 to \$57,600,000, yet this must be offset by an excess of exports in gold in 1905 amounting to \$39,000,000, leaving a net balance of imports of gold amounting to some \$35,000,000 for the three years. This shows that our favorable balance of trade which has averaged some \$500,000,000 for the last six or seven years is almost all needed to meet the invisible obligations abroad which accrue year after year on account of freight bills, interest payments, tourists' expenditures and money sent abroad by those who have come from foreign shores and who return to those left behind a portion of their earnings. Our annual foreign freight obligations are variously estimated at from \$100,000,000 to \$200,000,000. It is thought that our tourists spend abroad annually fully \$75,000,000, and it may be twice that amount. Perhaps from \$25,000,000 to \$50,000,000 are sent abroad every year by relatives and friends here to those at home. This would leave some \$200,000,000, then, as dividends and interests upon foreign investments placed in this country. It may be that in addition to the liquidation of these annual obligations that some considerable foreign credits may be accumulating abroad, but it is not likely that these are of very great amounts.

The situation is certainly a most satisfactory one. Without giving particularly for foreign trade, we possess more of the world's markets than any other nation. With what is considered very adequate protection for all industries, we yet import over \$1,200,000,000 worth of merchandise, about one-half of which pays a duty averaging somewhat less than 50 per cent., and giving us a revenue of nearly a quarter billion of dollars towards paying the expenses of the Government. We never before had a law on our statute books under the operation of which

we even approached such satisfactory results. Our so-called Tariffs for revenue have resulted in a lack of revenue of a deficit.

On following pages will be shown comparative figures of exports and imports since the foundation of the Government, with accompanying columns showing the excess of imports and exports and our annual balance of trade. It will be noticed that since the foundation of the Government we have sold abroad more than we have purchased to the amount of \$5,000,000,000, and yet up to 1875, with but few exceptions, we imported every year more than we exported. This remarkable advance in our exports of late years, which have increased faster than our imports, is due, in the first place, to the fact that American goods have come to be known as the best goods made throughout the world. With but very small exception, American goods in foreign markets are higher than the goods with which they come into competition, and yet Europeans in particular have learned to know that American wares at any price are cheaper than any other goods made by any other nation, for the reason that they are better, more durable, more serviceable in every way. The high standard of living possessed by the American workingman, the opportunity and ambition which always lies before him, the possibilities which are in store for the inventive and diligent and the ingenious, results in better workmanship and better make of almost every article produced from its very crudest form to its most finished shape. American locomotives are stronger and make better time than those made in any other country. The American pin and needle cannot be equalled throughout the world, and so it is that in the mechanism of every article whether it be a great bridge built to span a foreign chasm, a locomotive to climb foreign mountains or a needle to sew with on foreign fabrics, every machine, every implement, every article made in America means that it is the best made to be found anywhere on earth. An American mower or reaper, which will last twice as long or will do twice as much work in a given time is worth more even if it does cost 50 per cent. to 75 per cent. more than the European machine. This, then, is why even at our higher prices we have passed every other nation in our total exports, and why we are fast gaining upon Germany and England in the sales of manufactured products. This is why we are not only competing with these manufacturing nations in neutral markets, but are competing with them right in their home markets. It is possible that some of these markets have been gained in the first place through a resort to lower prices—that is, a selling of an article at a lower price abroad than at home, a practice resorted to by every other manufacturing nation with whom we must come into competition. If this has been done, it is to the glory and honor of every American manufacturer who has done it that he has increased the sales of his wares abroad, thereby increasing the volume of his output, the employ of labor, and the wages of his men, for be it understood that American workingmen get precisely the same wages for any goods that may be sold abroad at a lower price as they do for those sold in the home market.

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We must approach a matter of such prime economic importance as the tariff from the standpoint of our business needs.—President Roosevelt at Minneapolis, April 4, 1903.

(Compiled from publications of the Bureau of Statistics.)

Administration. Washington (Apr. 30, 1789, to Mar. 4, 1797).....	Fiscal Year.	Merchandise.			Fiscal Year.	Tariffs.
		Imports.	Exports.	Excess of imports.		
	1790	\$23,000,000	\$20,205,156	\$2,794,844	1790	
	1791	29,200,000	19,012,041	10,187,950	1791	
	1792	31,500,000	20,753,098	10,746,902	1792	
	1793	31,100,000	26,109,572	4,990,428	1793	
	1794	34,600,000	33,043,725	1,556,275	1794	
	1795	69,756,268	47,989,872	21,766,396	1795	
	1796	81,436,164	58,574,625	22,861,539	1796	
John Adams (Mar. 4, 1797, to Mar. 4, 1801).....	1797	75,379,406	51,294,710	24,084,696	1797	
	1798	68,551,700	61,327,411	7,224,289	1798	
	1799	79,069,148	78,665,522	403,626	1799	
	1800	91,252,768	70,971,780	20,280,988	1800	
Jefferson (Mar. 4, 1801, to Mar. 4, 1809).....	1801	111,363,511	93,020,513	18,342,998	1801	Formative period.
	1802	76,333,333	71,957,144	4,376,189	1802	
	1803	64,666,666	55,800,033	8,866,633	1803	
	1804	85,000,000	77,699,074	7,300,926	1804	
	1805	120,600,000	95,566,021	25,033,979	1805	
	1806	129,410,000	101,536,963	27,873,037	1806	
	1807	138,500,000	108,343,150	30,156,850	1807	
	1808	56,990,000	22,430,960	34,559,040	1808	
	1809	59,400,000	52,203,233	7,196,767	1809	
	1810	85,400,000	66,757,970	18,642,030	1810	
Madison (Mar. 4, 1809, to Mar. 4, 1817).....	1811	58,400,000	61,316,832	.....	1811	Protective tariff (July 1, 1812, to June 30, 1816).
	1812	77,030,000	38,527,236	38,502,764	1812	
	1813	22,005,000	27,856,017	.....	1813	
	1814	12,965,000	6,927,141	6,037,859	1814	
	1815	113,041,274	52,557,753	60,483,521	1815	
	1816	147,103,000	81,920,052	65,182,948	1816	
	1817	99,250,000	87,671,569	11,578,431	1817	
Monroe (Mar. 4, 1817, to Mar. 4, 1825).....	1818	121,750,000	93,281,133	28,468,867	1818	Low tariff (June 30, 1816, to June 30, 1824).
	1819	87,125,000	70,142,521	16,982,479	1819	
	1820	74,450,000	69,691,669	4,758,331	1820	
	1821	54,520,834	54,596,323	.....	1821	
				75,489		



## TOTAL VALUE OF IMPORTS AND EXPORTS INTO AND FROM THE UNITED STATES FROM OCTOBER 1, 1789, TO JUNE 30, 1906.

Administration.	Fiscal Year.	Merchandise.			Fiscal Year.	Tariffs.
		Imports.	Exports.	Excess of imports.		
Monroe (Mar. 4, 1817, to Mar. 4, 1825)—continued.....	1822	\$79,871,695	\$61,350,101	\$18,521,594	1822	Low tariff (June 30, 1816, to June 30, 1824).
	1823	72,481,371	68,326,043	4,155,328	1823	
	1824	72,169,722	68,972,105	3,197,617	1824	
	1825	90,189,310	90,738,333	.....	1825	
J. Q. Adams (Mar. 4, 1825, to Mar. 4, 1829).....	1826	79,093,511	72,890,789	5,202,722	1826	Protective Tariff (June 30, 1824, to Mar. 3, 1833).
	1827	71,332,933	74,309,947	.....	1827	
	1828	81,020,083	64,021,210	16,998,873	1828	
	1829	67,088,915	67,434,651	.....	1829	
Jackson (Mar. 4, 1829, to Mar. 4, 1837).....	1830	62,720,956	71,670,735	.....	1830	Low tariff (Mar. 3, 1833, to Aug. 30, 1842).
	1831	95,885,179	72,285,652	23,599,527	1831	
	1832	95,121,762	81,520,603	13,601,159	1832	
	1833	101,047,943	87,528,732	13,519,211	1833	
	1834	108,609,709	102,260,215	6,349,485	1834	
	1835	136,764,295	115,215,802	21,548,493	1835	
	1836	176,579,154	124,333,704	52,240,450	1836	
	1837	130,472,803	111,443,127	19,029,676	1837	
	1838	95,970,288	104,978,570	.....	1838	
	1839	156,496,956	112,251,673	44,245,283	1839	
Van Buren (Mar. 4, 1837, to Mar. 4, 1841).....	1840	98,258,706	123,668,932	.....	1840	
	1841	122,957,544	111,817,471	11,140,073	1841	Protective tariff (Aug. 30, 1842, to Dec. 1, 1846).
	1842	96,075,071	89,877,995	.....	1842	
	1843	42,433,464	82,825,689	.....	1843	
W. H. Harrison-Tyler (Mar. 4, 1841, to Mar. 4, 1845).....	1844	102,604,606	105,745,832	.....	1844	
	1845	112,184,322	106,040,111	7,144,211	1845	Low tariff (Dec. 1, 1846, to Apr. 1, 1861).
	1846	117,914,065	109,583,248	8,380,817	1846	
	1847	122,424,349	156,741,698	.....	1847	
Polk (Mar. 4, 1845, to Mar. 4, 1849).....	1848	148,638,644	138,190,515	10,448,129	1848	
	1849	141,206,199	140,351,172	855,027	1849	
	1850	173,599,526	29,133,800	29,133,800	1850	
	1851	910,771,490	188,915,250	91,556,170	1851	
Taylor-Fillmore (Mar. 4, 1849, to Mar. 4, 1853).....	1852	.....	.....	.....	1852	
	1853	.....	.....	.....	1853	
	1854	.....	.....	.....	1854	
	1855	.....	.....	.....	1855	

Administration.	Fiscal Year.	Merchandise.			Fiscal Year.	Tariffs.
		Imports.	Exports.	Excess of imports.		
Pierce (Mar. 4, 1853, to Mar. 4, 1857)	1853	\$263,777,265	\$203,489,282	\$60,287,983	1853	Low tariff (Dec. 1, 1846, to Apr. 1, 1861).
	1854	297,808,794	237,043,764	60,765,030	1854	
	1855	257,808,708	218,909,502	38,899,205	1855	
	1856	310,432,310	281,219,423	29,212,887	1856	
	1857	348,428,342	293,823,760	54,604,582	1857	
Buchanan (Mar. 4, 1857, to Mar. 4, 1861)	1858	293,338,654	272,011,274	21,327,380	1858	Protective tariff (Apr. 1, 1861, to Aug. 28, 1894).
	1859	331,333,341	292,902,051	38,431,290	1859	
	1860	353,616,119	333,576,057	20,040,062	1860	
	1861	289,310,542	219,553,823	69,756,709	1861	
Lincoln-Johnson (Mar. 4, 1861, to Mar. 4, 1869)	1862	189,356,677	190,670,501	1,313,824	1862	
	1863	243,335,815	203,964,447	39,371,368	1863	
	1864	316,447,283	158,837,988	157,609,295	1864	
	1865	238,745,580	166,029,303	72,716,277	1865	
	1866	434,812,066	348,859,522	85,952,544	1866	
	1867	395,761,096	294,506,141	101,254,955	1867	
	1868	357,436,440	281,952,899	75,483,541	1868	
	1869	417,506,379	286,117,697	131,388,682	1869	
	1870	435,958,408	392,771,768	43,186,640	1870	
	1871	520,228,684	442,820,178	77,408,506	1871	
Grant (Mar. 4, 1869, to Mar. 4, 1877)	1872	626,595,077	444,177,586	182,417,491	1872	
	1873	642,136,210	522,479,922	119,656,288	1873	
	1874	567,406,342	586,283,040	19,876,698	1874	
	1875	533,005,436	513,442,711	19,562,725	1875	
	1876	460,741,190	540,384,671	79,643,481	1876	
	1877	451,323,126	602,475,230	151,152,094	1877	
	1878	437,051,532	694,865,766	257,814,234	1878	
Hayes (Mar. 4, 1877, to Mar. 4, 1881)	1879	445,767,777	710,439,441	264,661,666	1879	
	1880	667,954,746	835,638,658	167,683,912	1880	
	1881	642,664,628	902,377,346	259,712,718	1881	
	1882	724,639,574	750,542,257	25,902,683	1882	
Garfield-Arthur (Mar. 4, 1881, to Mar. 4, 1885)	1883	723,180,914	823,839,402	100,658,488	1883	
	1884	667,697,693	740,513,609	72,815,916	1884	

TOTAL VALUE OF IMPORTS AND EXPORTS INTO AND FROM THE UNITED STATES FROM OCTOBER 1, 1789, TO JUNE 30, 1906.

Administration.	Year. Fiscal	Merchandise.				Fiscal Year.	Tariffs.
		Imports.	Exports.	Excess of imports.	Excess of exports.		
Cleveland (Mar. 4, 1885, to Mar. 4, 1889).....	1885	\$571,577,329	\$742,189,755	.....	\$164,662,426	1885	Protective tariff (Apr. 1, 1861, to Aug. 28, 1894).
	1886	635,436,136	679,524,830	.....	44,088,694	1886	
	1887	692,319,763	716,183,211	.....	23,863,443	1887	
	1888	723,957,114	695,954,507	28,002,607	.....	1888	
Benjamin Harrison (Mar. 4, 1889, to Mar. 4, 1893).....	1889	745,131,652	742,401,375	2,730,277	.....	1889	Low tariff (Aug. 28, 1894, to July 24, 1897).
	1890	789,310,409	857,828,684	.....	68,518,275	1890	
	1891	844,916,196	884,480,810	.....	39,564,614	1891	
	1892	827,402,462	1,030,278,148	.....	202,875,686	1892	
Cleveland (Mar. 4, 1893, to Mar. 4, 1897).....	1893	866,400,922	847,665,194	18,735,728	.....	1893	Protective tariff (July 24, 1897, to date).
	1894	694,994,622	892,140,572	.....	237,145,950	1894	
	1895	731,969,965	807,538,165	.....	75,568,200	1895	
	1896	779,724,674	882,606,938	.....	102,882,264	1896	
McKinley (Mar. 4, 1897, to Sept. 14, 1901).....	1897	764,730,412	1,050,993,556	.....	286,263,144	1897	Protective tariff (July 24, 1897, to date).
	1898	616,049,654	1,231,482,330	.....	615,432,676	1898	
	1899	697,148,489	1,227,023,302	.....	529,874,813	1899	
	1900	849,941,184	1,394,483,082	.....	544,541,898	1900	
Roosevelt (Sept. 14, 1901, to date).....	1901	823,172,165	1,487,764,901	.....	664,592,826	1901	Protective tariff (July 24, 1897, to date).
	1902	903,320,948	1,381,719,401	.....	478,398,453	1902	
	1903	1,025,719,237	1,420,141,679	.....	394,422,442	1903	
	1904	991,087,371	1,460,827,271	.....	469,739,900	1904	
Total .....	1905	1,117,513,071	1,518,561,666	.....	401,048,595	1905	
	1906	1,226,615,379	1,743,763,612	.....	517,148,233	1906	
		\$37,614,479,331	\$42,586,487,989			\$4,972,008,658	



## OUR HOME MARKET AND INTERNAL COMMERCE.

Our annual bank clearings, which have for several years been largely in excess of \$100,000,000,000, indicate the enormous home market and internal commerce enjoyed by the people of the United States. These bank clearings, of course, include many duplications in business transactions, and include the many stock and bond sales of Wall Street and other financial centers. What the exact figures are which represent our actual annual purchasing power cannot be definitely stated, and yet it will not be difficult to get at the approximate amount. In the first place, the value of our manufactures probably now exceeds \$18,000,000,000—add to this the value of farm products amounting to at least \$7,000,000,000, the product of our mines which is \$1,500,000,000, and our forests and fisheries worth at least a billion dollars more, and we have a total of nearly \$27,000,000,000. But in connection with this amount we must consider the vast sums of money expended in transportation and distribution, in merchandizing and in the thousand and one avenues of trade and commerce throughout the country.

It must be considered that the retail value of all products is largely in excess of the value at the factory or at the farm, and the former more nearly measures the purchasing power of the people and the amount annually expended for the necessities and luxuries of life. Thirty billions of dollars is most conservatively estimated as the amount of money annually expended by the people of the United States. It has been estimated by most careful statisticians connected with our mercantile agencies that the amount is in excess of forty billions. The exact figures, however, are not necessary to know when we do know to a certainty their approximation. It is well to compare this amount for a moment with the markets of the entire world. According to the Bureau of Statistics, the imports of the world at the present time are but a little in excess of \$10,000,000,000, the exports amounting, of course, to a similar sum. When, therefore, the imports and exports of the world are added together to make up the sum total of all foreign commerce, we have an amount exceeding somewhat \$20,000,000,000; and yet it is clear that this amount as compared with our own purchasing power already given above is erroneously doubled, that is to say, the entire markets of the world for foreign products are worth only about \$10,000,000,000, while our own market is worth at least \$30,000,000,000. If we were to add both sales and purchases our market would have a value at least \$60,000,000,000.

However, then, we may figure this market value, whether we take the figures of purchases alone, or double them by including both sales and purchases, we are very safe in making the statement, that the home market and internal commerce of the United States is fully three times in value the entire markets of the world for foreign products, even including our own share of that foreign commerce. In other words, if we could sell all the goods that are purchased in every foreign port on the face of the globe, it would be only about one-third the value of our own home market and internal commerce.

We must consider in this connection also the fact that there are freights and many handlings of goods which go from country to country; there is much loss in carriage and decay; there are several profits to be considered, and as compared with the mar-

ket which we have at our very doors, even if our own market were only equal instead of three times the value of foreign markets, still it would be far more desirable in every way.

When, therefore, free-traders wish us to open our markets to the producers of other countries in order that we may enlarge somewhat our sales abroad—a very questionable conclusion, moreover—we should consider just what we would be giving to foreign competitors, and just what we are likely to receive in return. We should be slow, indeed, to sacrifice any portion of our splendid home market, and should feel quite satisfied that it is of such proportions as to be three times the value of all the markets of the world combined, if we could have every one of them without contest and without competition.

Our sales abroad in 1906 amounted to \$1,743,763,379, or about 5 per cent. of our sales in our home market. And yet we sold more abroad than any other country, while the value of our home sales will exceed that of many countries combined.

For over a century we have been building up this splendid market and this splendid home trade, and it would be the sheerest folly to abandon or sacrifice one iota of what we have so sure in hand for the chimerical and illusionary markets thousands of miles away.

### GOVERNMENT FINANCE, PER CAPITA.

Year.	Population, June 1.	Amount of money in the United States July 1.	Money in circu- lation July 1.	Debt, less cash in Treasury, July 1.	—Year ended June 30—				
					Interest on public debt.	Net revenue.	Net expenses.	Disbursements for pensions.	
		Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	
1871.....	39,555,000	18.75	18.10	56.81	2.83	9.69	7.39	0.84	
1872.....	40,596,000	18.79	18.19	52.96	2.56	9.22	6.84	.74	
1873.....	41,677,000	18.58	18.04	50.52	2.35	8.01	6.97	.79	
1874.....	42,796,000	18.83	18.13	49.17	2.31	7.13	7.07	.71	
1875.....	43,951,000	18.16	17.16	47.53	2.20	6.55	6.25	.68	
1876.....	45,137,000	17.52	16.12	45.66	2.11	6.52	5.87	.63	
1877.....	46,353,000	16.46	15.58	43.56	2.01	6.07	5.21	.62	
1878.....	47,598,000	16.59	15.32	42.01	1.99	5.42	4.98	.56	
1879.....	48,866,000	21.15	16.75	40.85	1.71	5.60	5.46	.69	
1880.....	50,155,783	23.64	19.41	38.27	1.59	6.65	5.34	1.14	
1881.....	51,316,000	26.30	21.71	35.46	1.46	7.00	5.08	.98	
1882.....	52,495,000	26.85	22.37	31.91	1.09	7.68	4.91	1.03	
1883.....	53,693,000	27.42	22.91	28.66	.96	7.41	4.94	1.13	
1884.....	54,911,000	27.08	22.65	26.20	.87	6.36	4.44	1.04	
1885.....	56,148,000	27.38	23.02	24.50	.84	5.76	4.63	1.17	
1886.....	57,404,000	27.20	21.82	22.34	.79	5.86	4.22	1.13	
1887.....	58,680,000	27.84	22.45	20.03	.71	6.33	4.56	1.27	
1888.....	59,974,000	28.20	22.88	17.72	.65	6.32	4.46	1.33	
1889.....	61,289,000	27.06	22.52	15.92	.53	6.21	4.88	1.45	
1890.....	62,622,250	26.91	22.82	14.22	.47	6.43	5.07	1.71	
1891.....	63,844,000	26.28	23.42	13.34	.37	6.14	5.73	1.95	
1892.....	65,086,000	26.92	24.56	12.93	.35	5.45	5.30	2.07	
1893.....	66,349,000	26.21	24.03	12.64	.35	5.81	5.78	2.40	
1894.....	67,632,000	26.69	24.52	13.30	.38	4.40	5.43	2.00	
1895.....	68,934,000	26.39	23.20	13.08	.42	4.54	5.16	2.05	
1896.....	70,254,000	25.62	21.41	13.60	.49	4.65	5.01	1.98	
1897.....	71,592,000	26.62	22.87	13.78	.48	4.85	5.11	1.97	
1898.....	72,947,000	28.43	25.15	14.08	.47	5.56	6.07	2.02	
1899.....	74,318,000	29.47	25.58	15.55	.54	6.94	8.14	1.88	
1900.....	76,303,387	30.66	26.94	14.52	.44	7.43	6.39	1.85	
1901.....	77,647,000	31.98	27.98	13.45	.38	7.56	6.56	1.79	
1902.....	79,003,000	32.45	28.43	12.27	.35	7.11	5.96	1.75	
1903.....	80,372,000	33.40	29.42	11.51	.32	6.93	6.26	1.72	
1904.....	81,752,000	34.29	30.77	11.83	.30	6.60	7.11	1.74	
1905.....	83,143,000	34.68	31.08	11.91	.29	6.54	6.81	1.71	

## EXPORT DISCOUNTS.

Free Trade revisionists in support of their contention that the Tariff is a robbery have made use at different times of certain arguments concerning our industrial conditions, ringing the changes for a while on these temporary issues till they have been so exploded or refuted as to become worthless. Some twenty years ago, for instance, much was made of the so-called farm mortgage question and so desperate did the Free Traders become that they circulated widely for many weeks a table purporting to show the farm mortgages of different States. Finally, it was found that the figures given were really the entire value of the farms of these States and, of course, as soon as the matter was exposed, the Free Traders jumped to another subject. Such as, for instance, the abandoned farms of New England. Then they became very much worried over the surplus, and the McKinley law was framed and enacted for the purpose of reducing our redundant revenue. Then various minor issues were thought of and tried and laid aside, but during the past dozen years the export discount question has assumed in the Democratic mind very formidable proportions and thinking it a good campaign issue, it has been made much of, especially during the past three or four years. The real facts in the case have been so obscured and confused that it will be well to state the entire situation exactly as it stands to-day. The contention of Free Traders is, in brief, that certain of our manufactures are sold abroad at a less price than at home, therefore proving their contention that prices in the home market are larger than they should be, due to the fact that such mills are protected to more or less extent from foreign competition. Protectionists have not and do not deny that a small percentage of our manufactured exports are sold at a discount abroad. They not only do not deny it, but both Protectionists and Free Traders have provided for just such a condition of affairs and just such sales in our last three Tariff laws. In all of these three laws was the following paragraph:

"That where imported materials on which duties have been paid are used in the manufacture of articles manufactured or produced in the United States, there shall be allowed on the exportation of such articles a drawback equal in amount to the duties paid on the materials used, less 1 per centum of such duties."

This drawback is given to our manufacturers for the purpose of competing in foreign markets on as nearly equal terms as possible as far as the cost of imported material goes. Let it be understood that this drawback was not alone given by the McKinley law and by the present Dingley law, but also by the Wilson-Gorman law framed and enacted by a Democratic Congress. It is therefore not a political question nor a partisan question, but a National question, an American provision for American exports. Such drawbacks have amounted to some \$10,000,000 a year, and as instances of articles and material effected, the following examples are given:

- Agricultural machinery and implements made with use of imported steel billets and pig iron.
- Sugar and syrups made from imported raw sugars.
- Tin cans made from imported tin plate.
- Aluminum made wholly from imported alumina.
- Aluminum wire rods made wholly from imported aluminum ingots.
- Asbestos roofing made with the use of imported burlap.



Locomotives and parts thereof made with use of imported steel billets and pig iron.

Refined asphalt and products therefrom made with the use of imported crude asphalt.

Babbit metal made with the use of imported lead and antimony.

Bags made wholly from imported burlap and cloth.

Beer made with use of imported hops.

Black varnish and japan made with use of imported palm oil pitch and Asiatic nut oil.

Boots, shoes, etc., made with use of leather from imported hides.

Bound books made with use of imported printed sheets.

Camel's hair press cloth made with use of imported Russian hair.

Carpet sweepers made with use of Chinese bristles and tin plate.

Carpets, mats and rugs made with imported wool.

Casks and kegs made with imported hoop steel.

Chewing gum made with imported chiclet and sugar.

Cigarettes and tobacco made with imported leaf tobacco.

Confectionery made with imported raw sugar.

Corsets made with imported coutil and laces.

Diamond and other dyes, etc., made with imported aniline and coal-tar colors and coal-tar products.

Doors made with imported white pine lumber.

Electric elevator engines made with imported motors.

Electrical apparatus made with imported mica.

Felts made with imported wool.

Fish nets made with imported flax and cotton yarn.

Hats made with imported furs.

Hydraulic hose made with imported flax or linen yarn.

Iron castings and pipes made with imported pig iron.

Ladies' shoes, etc., made with imported patent and enamel leather.

Lard compound made with imported oleostearin, tallow and lard.

Lead pipe and sheet lead made with imported lead.

Leather belting made with imported hides.

Medicinal preparations made with imported alcohol.

Mirror plates made with imported polished cylinder glass.

Plaster of paris made with imported rock plaster or crude gypsum.

Royal baking powder made with imported argols and crude tartar.

Silks, printed or dyed, made with imported pongee or habutai silks.

Steam engine governor tops made with imported steel strips.

Steel products made with imported slabs, billets or sheet steel.

Steel wire rods made with imported steel billets.

Sweet chocolate made with imported sugar and cocoa butter.

Typewriter ribbon made with imported woven-edge cloth.

Umbrellas and parasols made with imported silk and cotton cloth.

Wire nails and rods made with imported steel billets.

But it is well known that we go a step further in this matter and adopt the custom of every manufacturing nation on earth of at times selling for a less price in foreign markets than in the home market. The clearest exposition of this matter is found in the report of the Industrial Commission which sent a set of questions to all our manufacturers and which report says:

The great majority of the answers indicated that prices are no lower abroad than they are for domestic consumers, and a considerable number indicate that foreign prices are higher.

Those who stated that at times a portion of their goods were sold abroad for a less price than in the domestic market gave the following reasons therefor:

Cash payments and large purchases in the foreign trade, whereas the domestic trade is based on credits and small purchases.

The drawback or rebate of the Tariff on imported raw material of goods manufactured for export.

To overcome the Tariff of other countries.

To secure new markets.

To hold a market against new competitors.

To clear out surplus stock or to prevent a shut down and increased cost of production by keeping mills running and men employed.

To get rid of samples and out of date goods.

Because the expense of selling and advertising is less abroad than at home.

As to the proportion of our goods so sold, it does not matter in the least. It is a question wholly for the individual manufacturer to determine how far he may wish to sell goods at cost or even below cost in order to work off a surplus product or to gain a foothold abroad. He pays his workmen the same wages for such goods sold abroad as for those sold at home or abroad for a higher price. He keeps his factory running perhaps a week or a month or two months longer when otherwise it would have to be closed. He is able to work off surplus stock and begin the new year or new season on new orders to his own advantage and the advantage of his workingmen. It has been estimated that such sales do not exceed four or five million dollars. It would not matter a particle to the American workingman and consumer if they amounted to ten times that sum or were only one-tenth of the amount. The value of such goods vary from year to year. It may be of considerable proportions some year and be of only trifling proportions the following year. It is done when and where it is for the best interest of the manufacturer in gaining a market or in keeping his men employed in a continuous output of his wares. It must also be considered in connection with this question that probably more goods are sold abroad at a higher price than the ruling price at home than are sold abroad at a lesser price. Of course, the Free Trader does not worry about this, but it should be fully considered in connection with this issue which has been dignified into such importance by the Democratic party. During the last session of Congress the matter has been magnified largely through the attention that has been given to the so-called sales of watches by a Broadway, New York, merchant. It is evidently the intention of the Democratic campaign committee to go through the country with statements to the effect that this merchant has bought abroad thousands and thousands of watches made in the United States, exported to Europe, reimported by him and sold at a lesser price than the same make and grade of watches can be bought in American stores. Because it is the evident intention of the Democratic campaign managers to make much of this issue there will be found in the following pages extracts from speeches made in the House of Representatives covering and explaining every phase of this Democratic issue.

The exports of the United States to-day exceed those of any other country in the world. These foreign markets, particularly for our manufactures, have been gained largely either because American goods are better, that is, more durable, or can be supplied more quickly and therefore are more serviceable than the goods of any other manufacturing nation. These foreign markets have been gained by hard work and by shrewd business methods; in other words, by adopting the methods of foreign competitors whose own home markets we have entered and gained a foothold in. If it has been done in the first instance by placing goods in those markets at a bottom price in order to introduce

them, it must be greatly to the advantage of the American workman when the orders for such goods begin to increase from year to year.

There is no phase of this export discount question whatever which should make it in any way an argument for revising any of our Tariff schedules. We resort to the so-called dumping process less than any of our principal foreign competitors. Our Tariff wall is the only protection we have against a wholesale resort to that method abroad. With our wages, which are twice and three times those of our manufacturing competitors in Europe, it would be impossible even with our machinery and any greater efficiency of our workmen to compete against the low wages prevalent abroad both in the production of the raw material and the manufacture of the finished product. There is particularly a phase of this export discount question which should be emphasized. It is well known that American genius and American invention allows hardly a year to pass without making improvements in our machinery, vehicles and articles for public use, such as, for instance, typewriters, etc. Every year sees a new model put upon the market and the buyer of a new machine wants the latest model with all the latest improvements. What, then, shall be done with the surplus product which may be in stock? Why, sell it abroad at cost price. Keep the factory running night and day and be able to furnish the home consumer with the very latest machine at a profitable ruling market price. The same principle of business is carried on in our retail trade, in our markets and in our everyday life from the department store down to the vender on the corner. There are bargain sales at home as well as abroad and those who like them can, by watching opportunities, take advantage of such sales and satisfy his desire and purse to his heart's content. It must, however, be repeated that such sales are but a very small fraction of our great annual output. It is really insignificant and would not become a great political issue were it not for the fact that the Democratic party has seen fit to misrepresent the facts and try to mislead the people by wrong premises and false conclusions.

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FROM SPEECH OF HON. CHARLES B. LANDIS OF INDIANA IN THE HOUSE OF REPRESENTATIVES  
MAY 23, 1906.

Now, Mr. Chairman, I want to give attention to this contention of Democracy that goods are sold abroad by American manufacturers cheaper than they are sold at home. They think that they have discovered a gold mine, a party gold mine, and they think that they are going to throw the American people into a condition of hysteria by going among them and shouting that the American manufacturer is a plunderer and a robber because he is selling his goods abroad cheaper than he is selling them at home—a condition of hysteria similar to that into which they threw the country in 1892, which brought upon us that visitation of Democratic rinderpest thirteen years ago. [Laughter.] American manufacturers selling abroad cheaper than at home, the Democrats say! How does that harmonize with their prophecy made in 1897, that if the Dingley bill became a law it would build a stone wall around this country and absolutely destroy our ex-



port trade? They admit now that notwithstanding that bill became a law our manufactured exports have increased beyond any former period, and they shout to the country, "Why, they are selling abroad cheaper than they are selling at home."

Mr. Chairman, I say to you that that contention, which I do not deny, is to my mind the highest tribute that can be paid to the Dingley law. [Applause on the Republican side.] Under this Dingley law, which started all the factories that Democracy closed, we have builded thousands and tens of thousands of additional factories, and we have put them all into commission. We are consuming 92 per cent of all the products that they manufacture, and in addition to that we are meeting in the open market of the world all the manufacturers of Christendom, and we are underselling them—glory be it to the American name and to the Dingley law. [Applause on the Republican side.]

I want the gentleman from Mississippi, and the Democratic party generally, to get a little light on our trade relations and how it has been possible to make the conquests we have made. The gentleman from Mississippi read from the report of the Industrial Commission recently, but he read only that part of the report as suited his argument. I commend these words from that Commission to him, found on page 626 of volume 19:

"One of the gratifying conditions of the last few years is the very rapid increase in the export trade of the United States. This increase is a matter of congratulation, not merely because of the evidence that it furnishes of the increasing industrial strength and prosperity of the country, but because it furnishes the means for keeping the country well supplied with the gold needed as a part of the basis of our currency and a ready means of settling our indebtedness abroad. Though nearly 65 per cent of our exports are agricultural products, which the combinations affect only slightly, the increase in the exports of manufacturers has doubtless been promoted by the great industrial combinations. With plenty of capital at hand, they have been better able than small concerns to send agents into foreign countries to study conditions, to open up branch factories tributary to the home factories, and in other ways to extend their trade. In many instances such trade could not have been secured by smaller establishments whose strength had to be expended in competition at home."

And, after the gentleman from Mississippi gets through digesting those words, I would respectfully call his attention to the following, on the same page, in the same volume:

"In order to gain and hold foreign trade it has occasionally been necessary for both combinations and individual exporters to make low prices to foreign purchasers. It is in evidence before the Commission that even within this country the more distant markets receive concessions in price. In about 20 per cent of the cases covered by the Commission's returns the export prices have ruled lower than those charged to home consumers. Sometimes merely surplus stocks have been unloaded upon the foreign markets. At other times, when the home demand has slackened somewhat, it has been possible to keep manufacturing establishments employed to their full capacity and most productive efficiency only by finding a foreign market for a part of the product, and that could be done best by cutting prices.

"Among the reasons given by manufacturers in their admission that prices of their goods in the foreign markets are made lower than in the domestic market, are these: To meet foreign competition; to work off surplus product; to secure a permanent foreign market; taking a less price for cash as against credit transactions at home; to offset foreign duties and foreign transportation charges, which the buyer has to pay; to allow for rebates in duties which foreign material has to pay, and to match the more stable conditions of foreign markets as against the fluctuations of the home market.

"The practice is quite common in all countries, and on the part of the separate establishments as well as of combinations. Were this plan not adopted, it would often be necessary to run the plant only part of the time, which would not merely throw a portion of the laborers out of employment, but would also add materially to the cost of production of the remaining product. It is probable,

therefore, that when the export prices have been at cost, the result has been, by keeping the plant fully employed, to hold the prices to American consumers lower than would have been possible otherwise."

Could anything be plainer than that? Why did not the gentleman from Mississippi read these words when he read from this volume a few days ago? Simply because they destroyed his theory.

Selling abroad cheaper than at home! That is a principle of business that is followed by every business man in the United States and every manufacturing nation on earth. Come with me to Indianapolis and I will show you advertisements in the daily newspapers that show that the business men in that city have organized and have a regular office, where they pay a sum of money covering the railroad fare of all people living within a certain distance of Indianapolis, if they will only come to Indianapolis and buy goods to a certain amount. [Applause on the Republican side.] In other words, the business men of Indianapolis are selling abroad in Indiana cheaper than they are selling at home. It is a principle of business, and the gentlemen on the other side of the House would understand it if they knew anything about business. [Laughter and applause on the Republican side.] I say now that there is not a manufacturing nation on earth that does not pursue this policy.

I want to say to the gentleman from Mississippi [Mr. Williams], who bears down so strongly on this one proposition, that it has been established by investigation that Germany, Great Britain, Belgium, France, Australia, and every other manufacturing country on earth has two prices, one the home price and the other the export price, and the home prices from \$5 to \$7 higher on steel rails, for instance, than is the export price; and in some cases, notably in Germany, on goods for export the Government gives a freight rate of 66 2-3 per cent. off; and in addition to that, on some of those goods the German Government gives a bounty. [Applause on the Republican side.]

Take steel rails: Great Britain's home price is \$31.50 per ton, while her export price is \$25 per ton. Germany's home price is \$30 and her export price \$24. France's home price is \$31 and her export price \$25.50. Austria-Hungary's home price is \$31 and her export price is \$25.50. Belgium's home price is \$30 and her export price is \$24. United States home price is \$28 and her export price from \$25 to \$26. The Democratic party has been longing for the markets of the world for many years. The Dingley law has placed us in a condition where they confess that we are capturing the markets of the world. We can not capture the markets of the world without selling as good goods and at as cheap a price as are offered by other manufacturing nations. By the Democratic policy we will not only be able to enter the markets of the world, but we would surrender our home market by lowering the tariff wall, and that would convert New England into a tramp yard, empty the National Treasury, and bring again a condition of individual and national insolvency such as we experienced in 1894. [Applause.]

I would respectfully call attention to this table, which tells its own story. It is a comparison of present f. o. b. mill prices, domestic and export, on iron and steel in the principal producing countries:

Country.	Rails		Billets		Structural, including shapes, plates, bars, angles, and tees	
	Home price.	Export price.	Home price.	Export price.	Home price.	Export price.
Great Britain	\$31.50	\$25.00	\$24.00	.....	\$1.60	\$1.35
Germany ....	30.00	24.00	27.00	20.50	1.50	1 25
France .....	31.00	25.00	27.00	20.50	1.65	1.45
Austria-Hungary .....	31.00	25.50	27.00	22.00	1.50	1.35
Belgium ....	30.00	24.00	27.00	19.50	1.55	1.35 to 1.40
United States.	28.00	25.00 to 26.60	24.00 to 27.00	21.00	1.60 to 1.70	1.40 to 1.50

I would say to the gentleman from Mississippi [Mr. Williams] that, as compared with other nations from the standpoint of home



price and export price, our home price is always smaller and our export price is as large or larger than any other manufacturing nation on earth. [Applause on the Republican side.] Selling manufactured products abroad cheaper than at home! Why, does not the gentleman know that the Treasury Department every day of its existence has trouble at the New York and Philadelphia custom-houses because of the invoices presented there, those invoices being so far below the price prevailing in the countries where these goods are bought? The importers of New York City and Philadelphia have a regular force of clerks whose business it is to attend the custom-house and revise invoices in order to bring them up from the actual price paid for the foreign goods to the domestic price that prevails in the country where they are purchased; and the gentlemen on the other side of the House, if they knew anything about the business of running the Government, would know that.

Mr. Chairman, two years ago I received a letter from a steel mill in my district asking me to go to the Secretary of the Treasury and see if I could not have refunded about \$30,000 which they claimed was excess duty paid on an importation of steel billets from Germany. I went to the Treasury Department. They refused to do it on the ground that my constituent had purchased his goods in Germany cheaper than the German manufacturer sold the same goods to the German customer. The duty was collected upon the basis of the price prevailing in Germany, not on the actual price paid. The proprietor of that Indiana mill told me that he bought that consignment of steel billets in Germany, had it freighted across the ocean and then one-third across the continent to Indiana, and laid down at the door of his factory cheaper than the German manufacturer of steel billets would sell them to his own customers in Germany.

That is what Germany does to get into Indiana. That is what all manufacturing nations are doing to get into the United States. That is an answer to your cry that we are selling abroad cheaper than at home. Every other manufacturing nation on earth does it to get into a foreign market and to get a dumping ground for its surplus. Some of them are able to do it to a greater extent than others, because there is often a rebate on raw material imported and then exported in the manufactured product. And if every other country on earth that manufactures is encouraged in this work, why should we object to our manufacturers doing the same thing? I am told that only 30 cents in every \$1,000 worth of products exported represents the goods that are sold abroad cheaper than at home. Our manufactured product last year amounted to \$14,000,000,000. What a dignified, what a mighty, contention!

Why, Mr. Chairman, when I was at Waterloo, Iowa, two years ago I saw a heating system by which gasoline was converted into gas and conducted into burners and grates into the cooking stoves. They manufactured the plant in that town, and I went to the establishment and looked it over and asked the man what he would charge to come to Delphi, Ind., and install a plant in my house. He had put a plant in the home of the gentleman who accompanied me to the factory and charged him \$150. I told him my house had the same number of rooms. He told me he would come to Indiana, pay his own expenses, and put in the same plant for \$125, "because," said he, "I want to extend my business to Indiana."

My Waterloo companion said: "That is business." He did not run out and get hold of the rope to the fire bell and ring it and summon the citizens of Waterloo. [Laughter on the Republican side.] He did not say: "Burn down this factory; drive this man out of this community. He is selling abroad cheaper than he is selling at home." He mildly said: "That is business." He knew that that meant more orders for the factory, and he knew that more orders meant more labor in the factory, and he knew that more labor in the factory meant more money paid out in Waterloo, and he was anxious to get that business just as every loyal, patriotic American ought to be anxious to get the business of the world, [Applause on the Republican side.]



FROM SPEECH OF HON. CHARLES Q. TIRRELL OF MASSACHUSETTS IN HOUSE OF REPRESENTATIVES

APRIL 11, 1906.

Mr. Chairman: On Thursday of last week the gentleman from Illinois [Mr. Rainey] promulgated certain charges against the watch companies of this country, and especially against the American Waltham Watch Company, located in the district in Massachusetts which I have the honor to represent. I propose to consider a few of those charges—not all of them; nor shall I be diverted to those I do not discuss, as the time allotted to me is entirely inadequate even to cover thoroughly the points I propose to take up here to-day.

The first charge made by the gentleman from Illinois, which he rolls as a sweet morsel beneath his tongue, is that the Waltham Watch Company and the other watch companies of this country are in a trust. Lest I misrepresent the gentleman, I desire to call attention to his exact language in the Record, where he speaks upon this matter. He says:

"I have in my possession some of the export catalogues issued by the American watch trust—by the Keystone company and by the Waltham company and by the rest of them."

Then further on, when my colleague from Massachusetts [Mr. Gardner] stated that he was a stockholder in the Waltham Company, and that he had never heard that that company was connected with any trust, the gentleman from Illinois refers him to the Ways and Means Committee for information upon that subject and then a little later on he reiterates what he said upon that point, adding that when a certain consignment of watches which had been sent over from Europe to this country arrived at the port here, he adds in connection with that matter:

"When they reached the custom-house in New York they were met by the agents of the watch trust; and I use the term advisedly, in spite of the fact that we have a plutocrat in this House who, by his own admission, is a holder of large blocks of stock in that trust."

Now, I hold in my hand a circular letter which has just been issued by the Waltham Watch Company and signed by E. C. Fitch, the president, and Royal Robbins, treasurer of that company, men of character, men of probity, men of the highest honor, men who are leaders and captains of industry in our section of the country, men who would not attach their names to a statement unless it was absolutely true. Now, let me read to you what these men say on that very point.

Mr. Gilbert of Kentucky: From what paper is the gentleman about to read?

Mr. Tirrell: This is the Boston Advertiser, of April 7, 1906, and the same statement is also published in other papers in Boston of the same date. They say:

"First, we wish most emphatically to state that, so far as we know or are concerned, there is no watch trust in the United States and there never has been. The various American companies are, so far as we have any knowledge, absolutely independent, and operate entirely and solely with regard to their own separate interests. This is not only the condition here to-day, but has always been so."

Now, do you suppose that these men will attach their signatures to a statement like that, to be circulated and disseminated all over this country, unless it is absolutely true? And do you not believe that these men know whether their own company is in a trust? And would they not be likely to know, in the acute competition that there is in the watch business in this country, and, indeed, throughout the world to-day, whether there is any watch company in this country in any trust?

Now, I take up the second allegation of the gentleman from Illinois [Mr. Rainey], which is that while there are, he says, 15 per cent. (and I do not know where he gets that figure), while there are 15 per cent. more men employed in the watch factories of this country than there were in 1880, yet the character of the labor employed has deteriorated, because there are more women

and 200 per cent. more children employed in the watch factories of the country than there were twenty years ago.

Now, I read to you from the letter of the president and treasurer of the Waltham Watch Company upon that particular point, in which they say:

"The Waltham company never employed children in any capacity whatever. On the other hand, the employment of children in watch manufacturing is common in Switzerland. In spite of this fact, a recent slight advance in Swiss wages was promptly followed by an increase in the price of Swiss watches throughout their home market."

But I am not relying on the statement of the American Watch Company to corroborate what I have said. I hold in my hand the census bulletin issued May 21, 1902, giving full particulars in regard to the watch industry of this country, and on the fourth page thereof I read as follows:

"There are practically no children employed in the industry."

Then, in searching over the tables in this bulletin, I find that in all the establishments throughout the whole of the United States engaged in the manufacture of watches there are at the present time just twenty-six persons employed who are under 16 years of age.

Then go back to the statistics of twenty years ago, and I find there were twenty-four employed. You can not find, in my judgment, a manufacturing industry in this country, and possibly in the world, where there are so few in comparison with the entire number of employees who are under 16 years of age, for there are employed of men alone in the watch industry in this country 6,880 persons.

Now, I take up the third charge made by the gentleman from Illinois, and that is that the tariff has not been instrumental in increasing the wages of employees in the watch factories in this country. In regard to that I have here the statement made by the American Watch Company that the wages paid in our watch factories in the United States are from two and one-half to three times the wages paid to the Swiss workmen. There are 40,000 people employed in the manufacture of watches in Switzerland. Those 40,000 people produce 40 watches apiece a year. We are employing in our watch factories 6,880 and in collateral branches of the business 3,000 or 4,000 more, in round numbers 10,000 people, and we produce in this country to each one of these employees 250 watches a year.

The statement made by the gentleman from Illinois that there has been no substantial increase under the fostering influences of our tariff in the development of the watch industry in this country is contradicted in toto by the census bulletin to which I have referred, for I find that the total value of the assets in the watch business in this country in 1870 was \$2,686,133, and in 1900 it was \$14,235,191, an increase of over 500 per cent. Not only that, but I find by still further investigation that the business has so increased that our exportation of watches to foreign lands during this same period has rolled up 180 per cent., while there has been a decrease of the imports of foreign watches of 53.5 per cent. all along the line.

Now, as to the amount of wages paid. The wages of the women employed in the watch factories of this country year after year, not allowing for a single holiday, not allowing for any stoppage of the business or any breakdown or depression in the trade, the average earnings of the women employed in the watch factories in this country is almost \$400 a year, or \$385. Just think of that! If you take out the days when the factory must necessarily be stopped for repairs for certain periods during this long lapse of years since 1880, when statistics began, then you will have the facts as stated in the census bulletin, that the women in the factories are receiving nearly \$400 a year. Duplicate that, if you can, in any other industry either in a foreign country or in our own land.

What are the wages of the men in the watch factories returned in the same manner? Seven hundred dollars a year is their average wage. So, then, we have this condition of things—an industry which in its capitalization has increased 500 per cent., and since the protective tariff policy of the Republican party has been



in operation an increase of foreign exportation of 180 per cent., and wages two and a half to three times that paid in Switzerland to-day, and the employment of the large amount of capital, adding to the taxable assets of the country what I have stated.

There is one more charge—because in my limited time I can not dwell upon these things as I want to—and that is the charge that the American watches are sold cheaper in foreign markets than here. It seems that my friend from Illinois must be strangely ignorant of the economic and business principles which govern all our American manufactures in placing their products in foreign lands. I want to illustrate this by a concrete example with which I am conversant. I am interested as trustee in the manufacture of wood pulp, representing as trustee one of the largest mills in this country. This is an industry of which we knew comparatively little twenty-five years ago.

Our pulp mills, except the outer walls, have been remodeled and torn to pieces twice during that time, but the ingenuity and genius of the American people in a very few years placed it on a permanent basis, and not only upon a permanent basis, but enabled them to manufacture pulp in such quantities that it was impossible to place the whole of our pulp here. Now, when any manufacturing industry produces more than the home market can consume one of two things inevitably follows. You must either shut down your factory until that surplus supply which has accumulated in the warehouses has been disposed of in the domestic market or else you must sell it abroad. Now, if you sell your product abroad—

Mr. Gilbert of Kentucky: Will the gentleman yield?

The Chairman: Does the gentleman yield?

Mr. Tirrell: I do.

Mr. Gilbert of Kentucky: Will it profit the home industry to sell a manufactured product abroad cheaper than it costs to produce and ship it abroad?

Mr. Tirrell: Yes, sir; in some cases it will; and if I have time enough I will demonstrate that here by my own practical experience in business, which is the experience of other manufacturers in other industries. It has to be done if you keep your factories open. The factories which produce more than the domestic demand can take care of—

Mr. Gilbert of Kentucky: How will it pay the home industry to sell it at less to the foreigner abroad?

Mr. Tirrell: I will show exactly how it can be done. Now, wait one moment, gentlemen, and I will illustrate it.

Mr. Williams: Before the gentleman answers that question, because I desire to ask another in that connection which is cognate or akin to it—if you reach that stage of production where you have produced a surplus which it pays you to sell at less than it cost rather than close down your factory for a time, why should you ship that surplus to the foreign market to benefit the foreign consumer at less than the cost? In other words, why should you give the foreigner the benefit of that surplus production rather than give it to your own people?

Mr. Tirrell: In making that remark the gentleman knows very little in regard to the pulp business I am talking about—a great business which produces the paper which is put into our books and magazines—because, now, sir, the margin of profit is so small upon paper and pulp that it is a slight fraction of a per cent., and it is only by the manufacture of an enormous quantity of output, and running your factory day and night, that the paper makers and the pulp makers of this country can make even a modest dividend, and most of them during the past ten or fifteen years have been running on such a small margin as to make no dividend at all.

The Chairman: The time of the gentleman has expired.

Mr. Overstreet: I yield five minutes more to the gentleman.

Mr. Williams: The gentleman does not seem to have understood my question.

Mr. Tirrell: If I can only get ten or fifteen minutes I will answer it fully, Mr. Williams; but I ought not to be diverted, as I said in the first place; I am only allowed a very short time, but I will try to illustrate it to you. I beg the gentleman's pardon, I would be very glad to answer questions, but only being allowed



five minutes I must conclude at that time unless my time is further extended, which I shall be glad to have done to answer these questions. I want now to attempt to illustrate why the manufacturers do that thing and why it is necessary to do that thing. Now, we will suppose, for example, a pulp mill costs \$1,000,000. We will suppose that they manufacture 25 per cent. more than can be disposed of in this country, which is practically the case in regard to that industry. Now, then, that 25 per cent. must lie in the warehouse until it is sold at a small fraction of a profit and the mill be closed up or else it must be sent abroad and sold at some price over there.

Mr. Williams: Why not sell it at some price here?

Mr. Tirrell: Wait a minute, sir. The demand and supply makes a very small margin of profit, and do you ask that the American manufacturer in our own country shall sell his product at a loss? Is he not entitled to a small margin of profit, instead of going and dumping all of his surplus product on the market and lowering the whole price of that manufacture?

Mr. Williams: I do not ask him to sell at a less price than he does elsewhere.

Mr. Tirrell: Now, the reason why that is done is this: The fixed charges on the plant are running all the time. We will suppose the plant cost \$1,000,000. Now, it is idle, say, for two and one-half months. The fixed charges are running on; the price of everything is running on; all except the day labor is running on. The manufacturer's cost is increased by the mill lying idle in that way with all of these fixed charges running on and no product being obtained from the mill. So that if the accumulated surplus is sold in this country two results will follow. First, the home market being fully supplied purchases will not be made, that surplus can not be placed unless it is sold at a reduced price, which means, in the case to which I am alluding, at less than cost. Second, the mill will soon have to be shut down again, for it is the surplus above the home demand of which we are speaking, and the market having been already supplied here at home with all the product it can handle, and the manufacturer producing 25 per cent. more than the home market can handle, it is inevitable that the mill must close until its production again corresponds with the demand. Thus its wage employees are thrown out of employment and the manufacturing cost largely increased under the condition suggested by the able and versatile gentleman from Mississippi.

The American manufacturer, when he produces more than the country requires, in order to make this small margin of profit has got to keep his mill going day and night in many industries. He must do so in the case I have cited. It is the only way he can make money and pay any dividend whatever, because the shutting down of his mill entails a large loss on account of the conditions attached to the business, and in order that he may do this and meet expenditures the American manufacturer sells his surplus product at some price upon the other side.

Now, when he goes into a new country, where the people do not know the character of our goods abroad, they sell them for a loss, but when their establishments are planted in Belgium, England, and other countries they make a fair profit; and if you read that circular of the Waltham company, which I propose to have published in the Record, you will find they do the same thing over there when they are establishing their trade. They do not at first make a profit on their goods. It is only where they are seeking to establish trade, where they have got to compete against conditions that exist, where there are different kinds of credit and difference in methods of sale, and difference in transportation, difference in method of carrying on the business, and where these things must be overcome, and can not be overcome unless you put the prices on your goods so low that the people will buy anyway, on the theory that men will buy where they can buy the cheapest, that this course is pursued; only in such cases are goods sold at or under cost. But after the trade is established, after the houses are planted after they have obtained salesmen who speak the language to sell the goods, after they have gotten over the difficulties of the transportation question,

and after the American product has become firmly fixed in the approval of the people by the use of the article introduced in this way, then it is necessary, for the foreign purchaser will then buy the goods anyway, and the American manufacturer gets the profit.

Mr. Sterling: They do the same thing in this country in localities wherever they introduce their business.

Mr. Tirrell: Certainly; that can be easily demonstrated, and that is the reason, and the only reason, why the American manufacturer ever sells at less than cost abroad. It is to establish its trade; it is to fill up a gap, so that he can keep his mill running, so that he can sell the domestic product here at home at a small margin, as he is obliged to do with the acute competition that exists in the United States.

This is the course the Waltham company has followed. That it results as I have stated is evidenced by the fact that that company states that manufacturers and merchants doing an export business must necessarily make considerable price reductions to induce foreign buyers to substitute the new for the old, emphatically, however, asserting that Waltham watches are not sold, except in such cases as I have called attention to, at lower prices than those prevailing here.

Germany, whose wonderful industrial development since Bismarck abandoned his free-trade propaganda and advocated a protective tariff has excited the wonder of the world, has conspicuously followed this practice. It will not soon be forgotten by many of us who heard the debate on Cuban reciprocity in the Fifty-seventh Congress, how that was illustrated by the sugar schedule, by which, in order to dispose of their surplus sugar abroad, so low an export price was fixed in Germany that the home price was about double the foreign, and bounties and differentials were paid to equalize the trade.

I do not approve of a policy that would increase the price to the home consumer like that; such a policy is sacrificing a home market for a foreign. It illustrates, however, the extremity to which Germany has gone to secure our trade. It proves that our export trade can not be limited by the prices and terms that govern at home. How much wiser and more farsighted the American policy that sells here its products on small margins and great output, disposing of its surplus in such a manner as to insure a permanent business abroad. [Loud applause on the Republican side.]

FROM SPEECH OF HON. HENRY S. BOUTELL, OF ILLINOIS.—HOUSE OF REPRESENTATIVES,  
APRIL 26, 1906.

Now I pass to another subject. My colleague asserts on the strength of Keene's advertisement that the various watch movements made by the Elgin Watch Company and the Waltham Watch Company are sold at Keene's at a price greatly below those for which the same movements can be purchased from the ordinary retail dealers. He quotes one advertisement of February 2, 1906, but fails to call attention to a phrase near the end, which reads as follows: "The prices quoted below are for movements alone; I do not sell movements without cases or cases without movements."

Now, we all know that the watch consists of two parts, the movement and the case, and it is immaterial in a certain measure what the price fixed on the works is if the price on the case makes an abnormal or an unreasonable price for the complete watch. I have here in my possession two bills of Keene's, of Broadway, the one to Mr. W. Russ and another to Theodore Weigele, ordinary citizens, who purchased these advertised watches. I have no doubt they went in there pursuant to these advertisements.

Mr. Rainey: I would like to ask the gentleman a question.

Mr. Boutell: I will yield to the gentleman.

Mr. Rainey: I would like to ask my colleague if it is not true that the Waltham Company does not make cases?

Mr. Boutell: Neither the Elgin Company nor the Waltham



Company makes cases. These two men evidently went into the hospitable shop of Mr. Keene and asked him for one of those anti-protection, trust-busting, tariff-smashing watches he advertised, and they were shown the watches to which I now refer. They bought them, paid for them, and took them away. Then they inquired of ordinary retail dealers and found that they had been defrauded; then they went to the Elgin Company and submitted these bills. Mr. Russ wrote a letter to the Elgin Company, which I will here insert in the Record:

Hoboken, N. J., March 19, 1906.

The Elgin National Watch Company, 11 John Street, New York City, N. Y.:  
Gentlemen: I recently purchased an Elgin watch of Charles A. Keene, 180 Broadway, New York City. This dealer has been advertising cut prices on Elgin and Waltham movements in the New York Herald and New York Press for some time, which attracted my attention, as I had in mind to purchase a watch. I went into his place of business at 180 Broadway March 14 with the intention of purchasing a cheap Elgin watch. A salesman showed me several makes, and, upon request, showed me an Elgin, No. 11285859, in a twenty-year Dueber case, No. 5917320, which he said would cost \$25. Being satisfied to pay that much for a good watch, and feeling certain that I struck a bargain, I purchased this watch at that price. Several days later I heard different reports as to the character of this dealer, and at once became suspicious. After taking it to several other dealers, I found that I could purchase the identical watch for \$15.

I trust that my experience, as related above, will be interesting to you, and sincerely hope that you will do something to stop this dealer from further robbing the public, as I presume I am only one of many who have gone into this store with the intention of buying a "cheap watch."

Very truly yours,

Walker Russ.

Here we have the receipted bill, dated March 14, 1906, made by Charles A. Keene to Mr. Russ, for an Elgin watch, 17 jewels, open face, 18 size, twenty-year filled case. It is billed at \$25 for the completed watch. This watch, it appears from the statement of Mr. Kinna, can be purchased as follows: The works, \$5.08; case, \$3.50; complete watch to ordinary retailers in the trade, \$8.50; profit at \$25, \$16.42, or a profit of 191.1-2 per cent. (Laughter.) As shown by the record of the Elgin Watch Company, that keeps a record of all of its watches, neither of these watches was ever sold abroad.

The next is a similar receipted bill from Charles A. Keene to Theodore Weigele, Hoboken, N. J., March 17, 1906, for a 15-jewel Elgin watch, twenty-five year gold-filled case, which is likewise billed and sold at \$25. Mr. Kinna states that this watch just as it stands, movement and case, can be purchased by retail jewelers at \$9.13. So the profit on the price at which Keene sold it is 175 per cent. I repeat that neither of these watches, notwithstanding the advertisement, ever went abroad.

Mr. Williams: Mr. Chairman, I would ask the gentleman upon whose authority he is stating that these watches were sold at these percentages of profit that he has just stated?

Mr. Boutell: The opinion given by the officers of these companies from the retail dealers to whom they were submitted.

Mr. Williams: The officers of these companies submitted these receipts to retail dealers?

Mr. Boutell: Submitted these watches to retail dealers.

Mr. Williams: Did they have the watches that these men had bought?

Mr. Boutell: I understand they had the watches themselves.

Mr. Williams: And officers of the companies submitted them to the retailers and the retailers gave this opinion?

Mr. Boutell: Yes.

Mr. Williams: Did the officers of the companies send the gentlemen the names of the retailers to whom they were submitted?

Mr. Boutell: I think I have the names of the retailers and the affidavits of the retailers relating to the watches, and if so, I will insert them in the appendix to my remarks.

Mr. Lacey: Mr. Chairman, I would like to ask the gentleman if these are the original receipted bills?

Mr. Boutell: They are the original receipted bills.

Mr. Dalzell: By Keene?

Mr. Boutell: There is no question about it. There is no attempt to get at anything except the actual facts in the case. The watches as advertised had not been exported. The watches as advertised were sold in cases at much more than their value.

Mr. Williams: Mr. Chairman, I desire to get at the truth, and I know at the same time that the gentleman desires to get at the



truth. The gentleman is stating nothing of his own knowledge, and I want to get at the source of the gentleman's information. What is the source of the gentleman's statement that these watches were never exported?

Mr. Boutell: The statement of the officers of the Elgin Watch Company from their own records. They keep a record of all their sales of watches and of all watches exported.

Mr. Lacey: Mr. Chairman, I will ask the gentleman if he will give us the cable address of this man Keene

Mr. Boutell: The cable address of this man was given earlier in my remarks, but this would seem to be a proper place for repeating it, in answer to the gentlemen's question. It is "Keeness," and as I remarked before, as appears from all the examinations, I have been able to make, for keenness he is a veritable stem-winder.

Now, the time is passing rapidly by, and I can not go into the details of the subject to which I would like now to briefly call the attention of gentlemen of the committee.

Several members on the Republican side: Take the time.

Mr. Boutell: Gentlemen are very kind, but I must not weary the patience of the committee. My colleague from Illinois—and those of you who heard it can bear me out and those of you who did not can see it in the Record—made another positive assertion that all these watches are imported from abroad—all these watches in the stock of Keene, of Broadway. The Waltham Company, seeing this advertisement of their own watches which were said to have been exported and reimported, giving the numbers, sent men, unknown to Keene, to buy some of the watches, and they have purchased in this way, in the ordinary course of business, six of these watches. This was a mere business step, of course, on their part, to see what truth, if any, there was in this statement that their watches in this stock were all reimported watches, and of course we are simply interested in knowing what truth there is in the statement confidently made by my colleague, that all of them have been reimported. These watches I have just referred to, I will state, are now in the committee room of the Committee on Ways and Means—if any one has any curiosity at all to examine them—with the numbers attached to them, and most of them have the private mark of Keene, of Broadway, on the inside of the case, discernible with a glass.

Mr. Smith, of Kentucky: Mr. Chairman, I rise to ask the gentleman a question—whether or not his colleague from Illinois in speaking of the reimportation of watches, did not refer to the watches that he was exhibiting here?

Mr. Boutell: Mr. Chairman, my colleague's statement, I think, is such that there can be no mistake in respect to its interpretation, as we read the language in the Record. He was referring to the stock of watches as advertised by Keene, of Broadway.

Mr. Smith, of Kentucky: I did not so understand it at that time.

Mr. Boutell: He said: "Remember all these watches have been reimported."

Mr. Rainey: All the watches embraced in his so-called "protection" sale. That is what I said.

Mr. Boutell: Absolutely; that is it exactly.

Mr. Price: Mr. Chairman, as I understood my colleague from Illinois (Mr. Rainey), he held up certain watches and gave the numbers of those watches and said that they were made in Illinois at the Elgin Watch Company, or at Waltham, Mass., by the Waltham Watch Company; that those identical watches were sent abroad and returned and sold here cheaper. Has my colleague from Illinois (Mr. Boutell) investigated as to the truthfulness of those statements with reference to the watches that my colleague from Illinois (Mr. Rainey) held up in the presence of the Committee of the Whole House

Mr. Boutell: Mr. Chairman, the watches referred to and held up here as reimported watches may have been such. I believe that few of the high-grade watches were ever exported as advertised. In one of these advertisements Keene says he succeeded in getting hold of thousands—notice the language in the advertisements—of watches of the Elgin company of certain of their best makes. The record of the Elgin company shows

that in five years only thirty-seven of that particular make of watches were sold for export.

All the statements that I have made in regard to these exhibits of Waltham watches are sworn to, and the affidavits and bills are here for inspection by any member.

Where Mr. Keene has advertised a complete watch at an apparently low price, it appears that he makes it practically impossible for anybody to purchase one, and that the offer is really fictitious. I have here three affidavits, one of J. V. V. Boss, another of John T. McGovern, and a third from Robert E. Davidson, referring to Mr. Keene's advertisements of cased Elgin watches at \$5.98, and stating that they called at Mr. Keene's store and endeavored to purchase one of such watches, but were told in one case that they were out of such watches, and in each instance the salesman endeavored to sell to these affiants watches of another manufacture.

From these exhibits it may be seen how much reliance may be placed upon the attractively low prices quoted by Mr. Keene for various watch movements.

On page 9412, in the second column, my colleague said, and I quote here his remarks:

Now all of these watches in this store at 180 Broadway have been reimported from England. Every one of them has been reimported.

That is the end of the quotation. I want to call the attention of my friend from Mississippi to that, also my friend from Kentucky, who asked about that point. I have quoted the language exactly from the Record, and in that blunt, confident, positive assertion, without any corroboration from any authority, he states that all of these watches in this store at 180 Broadway have been reimported from England.

Mr. Gaines, of Tennessee: Will my friend allow me to ask a question? I have been detained from the Chamber and missed a greater portion of the gentleman's valuable speech, and now I would ask that he permit me to ask him this question: Do you claim that watches are not made in America and sold to foreigners cheaper than to the people over here?

Mr. Boutell: I would say, in answer to the gentleman from Tennessee, that he puts that question in just the form in which we sometimes hear on the floor of this House a question put and the demand made that it should be answered "yes" or "no." and the assertion that you can always answer any question "yes" or "no." Now, I answer the question from the information I have gotten from these men acquainted with the watch business that no watches are manufactured in this country and sold abroad to consumers cheaper than they are to consumers here. I would say further that I have statements and affidavits here to corroborate this opinion. First, you must bear in mind that there are three transactions in the watch trade, as we learn from the correspondence has been read. The manufacturer sells to the wholesaler—he calls him the jobber. The jobber sells to the retailer, and the retailer sells to the customer. That is on the good old principle, "live and let live." And I understand that according to a code of honor in business all first-class manufacturers, jobbers, and retailers, try to live up to this rule. So that when the gentleman from Tennessee asked the question whether watches are made and sold abroad cheaper than they are here, he can quite readily see that any intelligent answer needs explanation. The real question is not whether the watch is sold cheaper to the jobber or the retailer, but does the consumer, the real one in whom we are interested, get it cheaper? The affidavits I have here and their reference to the several American watches show that a retailer in London, England, sells an American watch, if he sells it at all, at a higher price than the American consumer gets it in this country.

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If a tariff law has on the whole worked well, and if business has prospered under it and is prospering, it may be better to endure some inconveniences and inequalities for a time than by making changes to risk causing disturbance and perhaps paralysis in the industries and business of the country.—President Roosevelt at Minneapolis, Minn., April 4, 1903.

## EXPORT DISCOUNTS.

From the Speech of Hon. John Dalzell of Pennsylvania in the House of Representatives, May 24, 1906.

I want to say, as others have said before, that if we sold all our three per cent. of surplus abroad at a less price than we sell it at home, instead of selling three-tenths of one per cent. at a lower price, we could better afford to throw the whole surplus into the Atlantic, rather than close up our factories and turn our men to idleness. [Applause on the Republican side.] And I want to say further that there is not a dollar's worth of American product sold in a foreign market at any price that is not the result of the labor of an American workman, who was paid an American wage. [Applause.]

I want to say, further, that it is the very mystery of mysteries to me that partisan bigotry and rancor should assault those, whether corporations or individuals, who, with characteristic American enterprise, are attempting to conquer foreign markets. [Applause on the Republican side.] It is the very infamy of demagoguery to misrepresent them, but they will not suffer, for behind them is the great body of patriotic people who glory in and encourage American pluck and believe in its ultimate triumph. [Applause on the Republican side.]

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In connection with Mr. Gary's testimony, I submit herewith a table which he put in evidence, being a comparison of the f. o. b. mill prices, domestic and export, on iron and steel in the principal producing countries of the world.

*Comparison of present f. o. b. mill prices, domestic and export, on iron and steel in the principal producing countries.*

Country.	Ralls		Billets		Structural, including bars, shapes, plates, angles, and tees	
	Home price.	Export price.	Home price.	Export price.	Home price.	Export price.
Great Britain.....	\$31.50	\$25.00	\$24.00	.....	\$1.60	\$1.35
Canada .....	33.00	33.00	.....	.....	.....	.....
Germany .....	30.00	24.00	27.00	\$20.00	1.50	1.25
France .....	31.00	25.50	27.00	20.50	1.65	1.45
Austria-Hungary .....	31.00	25.50	27.00	22.00	1.50	1.35
Belgium .....	30.00	24.00	27.00	19.50	1.55	to 1.40
United States.....	28.00	25.00 to 26.60	24.00 to 27.00	21.00	1.60 to 1.70	1.40 to 1.50

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Mr. Chairman, the practice of selling cheaper in the export market than in the home market is in conformity with that of every nation which makes goods to sell. The gentleman from Iowa [Mr. Hepburn] the other day put into the Record proofs of this fact from standard publications.

I do not propose to add to that character of testimony, but I do submit to you testimony from recognized industrial journals of the world upon that subject. I have here—and I am not going to stop to read them at length, because I am occupying much more time than I wanted to—extracts from leading trades journals giving the home and export prices of foreign countries for basic steel bars, joists, and Bessemer steel rails, and other things, showing the wide difference between the home and the export prices.

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Now, I have shown you by competent testimony, by testimony that would be admissible in any court, and unless rebutted would be conclusive, that this is a universal business custom indulged in by all trading nations, free trade nations or protective. The custom prevails in England, as I have shown you.



I say this is a wise policy. In the great commercial war in which all nations are now engaged, if we would gain a foothold in foreign markets we must compete with foreign prices. I recall vividly an instance in point, and I have no doubt many of you do also. A few years ago we had in this House discussion over the question of the price of armor plate.

It turned out in that discussion that the Bethlehem Steel Company, of Pennsylvania, conceded that it had sold a lot of armor abroad at a less price than it was asking the United States for it. And it defended its action upon two grounds. First and foremost, upon the ground that it was necessary if they would keep their works in operation and their men at work, and, secondly, on the ground that they were desirous of securing a market for their armor plate abroad. Now, what has been the result? The result has been that we are getting armor plate in the United States to-day at a less price than any other country in the world, and that within the last ten years we have constructed no small number of Russian and Japanese battle ships, all of which have been covered with armor made by the Bethlehem Steel Company, in Pennsylvania, and sold to Russia and Japan at a higher price than the same article is sold for to the United States. [Applause on the Republican side.]

It is the workingmen who have been the beneficiaries of that policy, and it is only necessary that you should take the statistics of our exports to ascertain to what extent in the line of various manufactures in the pursuit of this policy we have already established ourselves in foreign markets.

It is not only a wise policy, but it is a necessary one. In this same commercial contest to which I have referred we go out to meet foreign tariffs, foreign syndicates, cartels, bounties, all of which were made for the purpose of excluding us from the foreign markets. I am not going to weary you by reading to you all of the proof. I will put it in the Record.

I say no evidence has been offered, and none can be, that it costs the American consumer anything because we sell abroad at a lower price than we do at home.

In proof of that proposition I am going to confine myself to a single article, and I will do so simply because it seems to be the chief object of attack, and that is steel rails.

England is a free-trade country. A comparison of the prices of steel rails in that country and in our own country in the last ten years does not, however, show that, because we have protected our steel-rail industry or for any other reason, American railroad managers have paid any more for steel rails made at home than the managers of English railroads have paid for English rails. In the following table the prices for the United States are given upon the authority of the American Iron and Steel Association and for England upon the authority of Mr. J. S. Jeans, the secretary of the British Iron Trade Association. English prices have been reduced to their equivalents in American currency.

Years.	United States.	Average prices.	Years.	England.	Average prices.
1895.....		\$24.33	1895.....		\$21.89
1896.....		28.00	1896.....		21.69
1897.....		18.75	1897.....		23.35
1898.....		17.62	1898.....		23.49
1899.....		28.12	1899.....		26.80
1900.....		32.29	1900.....		36.01
1901.....		27.33	1901.....		29.45
1902.....		28.00	1902.....		27.37
1903.....		28.00	1903.....		27.97
1904.....		28.00	1904.....		22.48
Average for ten years....		\$26.04	Average for ten years....		\$26.05

In 1904 the steel-rail industry in England was depressed and prices fell. In 1905 the demand for steel rails improved. On October 6, 1905, the London Iron and Coal Trades Review reported the price at Middlesbrough to be £5 7s. 6d., which is the equivalent of \$26.15.

So that so far as that particular item of rails is concerned, it is manifest that there have been no unreasonable prices since those of our own and of the English market conform. If there had been any unreasonable prices in England, we certainly would have heard of it. No complaints are made there. No one ever hears of unreasonable prices for steel rails in the United States except from two sources, and they are Democratic politicians and the Democratic press.

Railroad managers do not complain; nor do the customers of railroads, for our rates are the lowest in the world.

Mr. Chairman, I repeat, we are a great, practical people. We are not accustomed to take our economics from college professors and dreamers of other times, amidst now obsolete conditions. We do not read our tariff lessons out of books; we read them by the blazing light of open furnace doors, amid the noise of industrial activities, and in the sweat of our brows that we coin into wealth. And God help the man or the party that would put out those fires, still the music of that noise, and send the workman home to a foodless and hungry household. [Prolonged applause on the Republican side.] For, after all, Mr. Chairman, the question of protection is only a question of labor. It is the man who works that is its beneficiary, his wife and his children, and their future. It is, in the last analysis, the question of an adequate wage, measuring up to the severe demands of manhood citizenship. It is a question in which we are all interested, on that side of the House as well as on this. I would to God that we could clasp hands across that aisle in the common cause of the American workingman.

"Oh, East is East, and West is West, and never the twain shall meet

Till earth and sky stand presently at God's great judgment seat. But there is neither East nor West, Border, nor Breed nor Birth, When two strong men stand face to face, though they come from the ends of the earth."

[Prolonged applause on the Republican side.]

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### Iron and Steel Prices for Export.

On Wednesday, April 11, 1906, Judge E. H. Gary, chairman of the board of directors of the United States Steel Corporation, appeared before the House Committee on the Merchant Marine and Fisheries, and in response to inquiries propounded by the various members of the committee gave some interesting and valuable information concerning the domestic and export prices of steel rails, structural shapes, and ship plates in the United States and in the leading foreign iron and steel producing countries. We give below a few extracts from Judge Gary's testimony:

"Steel rails enter into the figures that you have already given us, I suppose?" suggested Representative Littlefield.

"Yes. I think the average price of export steel rails at the present time is almost equal to the domestic price. The present domestic price is about \$28 per ton, and I should say slightly under \$27 for foreign trade. The prices that I have quoted are f. o. b. the mill in all cases."

"If you did not have this avenue of export trade by which you could dispose of the surplus product which is in excess of the domestic demand," said Representative Littlefield, "you would either have to stop producing and therefore lose the use of your mills and sustain a loss in that respect, or you would have to carry the surplus product on hand until the demand was created for it elsewhere?"

"Yes; but I do not think it would be practicable to manufacture and carry the surplus; it runs into money so fast. I think we would have to shut down our mills, and you know what that means in the disorganization of forces. So it really comes to this: That we would be obliged to increase the cost of manufacture if we could not run at full capacity. That would be the inevitable result."

"I would like to ask you this question," said Representative Spight: "Has your company ever delivered your product in foreign yards at a cheaper rate than you sell to the domestic customer at your mills?"

"The United States Steel Corporation is not an operating company," replied Judge Gary, "but I suppose you refer to our subsidiary companies. I have already stated that we have sold some of our products for export at certain prices, but those prices were f. o. b. the mill, and we have never delivered our products abroad for less than the cost to the domestic customer at our mill."

"Do you know of any steel company that has delivered goods in foreign yards cheaper than they sold them at the mill to domestic customers?" "I do not. I know of no such case."

"About what is the freight on steel from your mills to England?" "At the present time about 10 shillings per ton."

"So that if the price is \$27 per ton, f. o. b. at your mills, with the freight added it would be \$29.50 at English ports?" asked Mr. Hinshaw. "Yes."

"And what is the price of steel there, f. o. b. their mills?"

"It depends upon the commodity. The Great Britain home price of rails, for instance, is \$31.50 per ton and the export price of Great Britain is \$25, f. o. b. their mills. In Canada the home price of rails is \$33 and the export price the same; in Germany the home price is \$30 and the export price \$24; in France the home price is \$31 and the export price \$25.50; in Austria the home price is \$31 and the export price \$25.50; in Belgium the home price is \$30 and the export price \$24; in the United States the home price is \$28 and the export price about \$26.60. There is less margin in this country than anywhere else, and the home prices abroad, you will observe, are invariably larger than our home prices.

"Now, take the structural material, including shapes, plates, bars, angles and tees. In Great Britain the home price is \$1.60 per 100 pounds and the export price \$1.35; in Germany the home price is \$1.50 and the export price \$1.25; in France the home price is \$1.65 and the export price \$1.35; in Austria the home price is \$1.50 and the export price \$1.35; in Belgium the home price is \$1.55 and the export price \$1.35; in the United States the home price is \$1.60 and the export price \$1.40. Our price of plates lately has slightly increased because of the demand. Our customers generally, however, are covered for the season at about \$1.40. These figures are taken from authoritative sources, and I think there is no doubt that they are reliable. They are the figures upon which we are doing our business right along every day."

"Do you sell to the foreign customer upon orders received by mail?" asked Chairman Grosvenor, "or do the agents of the foreign buyer come here? What I am trying to get at is this: If you have sufficient demand for all of your products, do you sell abroad at all, or do you only sell abroad when you can supply both demands?"

"Answering the first part of your question," replied the witness, "I would say we have some agents abroad to take care of the field for us, and who receive orders. We also receive orders here at home. For instance, the Japanese have been pretty good customers and have had representatives in this country. They pay cash in advance, and come to our office and do their business. Answering the other part of your question, I would say that, of course, it is our policy from a business standpoint to take care of our own customers first. In looking after their interests we think it is wise to keep a foothold in the foreign countries—not to lose our connection with the foreign business; and therefore when the demand is very great we sometimes sell abroad to some extent at a little sacrifice so as to keep our position. But so far as we can maintain our business relations abroad we take care of our domestic customers first."

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The people are doing business on business principles, and should be let alone—encouraged rather than hindered in their efforts to increase the trade of the country and find new and profitable markets for their products.—President McKinley at Richmond, Va., Oct. 31, 1899.



### WAGES AND PRICES.

For a number of years Republican Campaign Text-Books have devoted many pages to tables showing the difference in wages in this and other countries. While the comparison is always interesting, yet it is not necessary. No one disputes or even questions that wages in the United States are fully twice as large as in England, over three times as large as in continental Europe and ten times as large as in other parts of the world. In most of these comparisons, too, it could be shown that the hours of labor are less in this country than abroad, making the relative wages per hour still more. Just prior to the election of 1892, wages in the United States had reached their highest point. From the time that a Free-Trade law was assured, employment decreased and wages were constantly reduced. Samuel Gompers said, on December 11, 1893.

Since August of this year we have been in the greatest industrial depression this country has ever experienced. It is no exaggeration to say that more than 3,000,000 of our fellow-toilers throughout the country are without employment, and have been so since the time named.

All who had any work whatever were getting reduced wages. With the assurance of a return to Protection in 1897, and with the actual enactment of the Dingley law, came, month after month, a return to employment and an increase of wages. Since the year 1897 wages have been constantly advancing in all industries. There have been, it is true, a handful of reductions here and there, owing to some special cause, but these reductions have now all been restored, and we are to-day paying the highest wages which have ever been paid to American workingmen, taken in the aggregate, the average, or individually. There has probably not been a week in the last five years when the wages of some group of men somewhere in the United States have not been increased. The Census Bulletin showing the progress in manufacturing in 1905 as compared with 1900 gives the increase in number of wage-earners as 16 per cent., while the increase in wages is just doubled, or 32 per cent. It will be remembered that the comparative summary of manufactures given in 1900 in connection with those of 1890 showed that while the average number of wage-earners had increased 25 per cent., the total wages had increased but 23 per cent. This slight difference was made very much of by Free-Trade editors and speakers during the last campaign. Whole speeches in Congress were devoted to arguments fitted around these comparisons. It will now be in order for the Democratic Free-Trade orators during the coming campaign to explain why it is that during the last five years the average number of wage-earners has increased 16 per cent., while the total wages have increased twice that amount, or 32 per cent., and these increases, it must be remembered, are based upon the large increase which took place between 1897 and 1900. A few tables will follow, showing a general comparison of wages and prices.

The fact that prices have advanced materially since 1897 is constantly being made much of by the advocates of cheap prices, cheap labor and cheap men. Although the price of no commodity has advanced to such a degree as the price of labor, which has reaped the greatest benefit from advanced prices, yet it will be freely admitted that the cost of living has, together with the advance in prices, made a considerable advance. It is not true, however, and the statement cannot be too clearly emphasized, that the real cost of living has advanced as much as wages. The

American people are to-day buying and consuming so many things, so many articles of comfort and luxury in addition to necessities, that it is most difficult to draw the line as to what the term "cost of living" embraces. We do not merely "exist" in this country, as do the wage-earners of Free-Trade Great Britain, or the working people of the cheaply paid laboring Continental countries. We who live in the United States live well and comfortably. We are well housed, well clothed, well fed, and, besides this, we are saving more money, putting more of our surplus earnings into homes and making larger investments than ever before in our history. This very fact refutes all claims that wages have not increased faster than cost of living. Moreover, it is not alone the wages of so-called laboring people that have advanced so largely, but the incomes and salaries of our professional people and the officials in our industrial concerns have advanced amazingly during the past seven or eight years. It is, in fact, safe to say that on the average they have doubled during that period, while their expenses, that is, their necessary expenses, have certainly not increased more than 33 1-3 per cent.

It will be well, before presenting figures on this subject, to make a general statement of the transition in wages and prices since the Republican Party came into power in 1861. Recent calculations made by experts have shown that wages as a whole and on the average have fully doubled since that time. In the meanwhile the prices of all manufactured articles have either been reduced as much as one-half or else they are made twice as durable and serviceable, so that their value is fully double what it was at that time. Here is an apparent fourfold gain, and it must be seen that the people of the United States are living two or three times as well as they were half a century ago. What were then considered luxuries and out of reach, are to-day necessities and every-day articles of consumption. Our standard of living is vastly better than, and on a much more liberal scale than, when the Republican Party came into being. We must at all times consider this phase of our industrial and social and home life when upon the matter of wages and prices. We must consider what we are getting, not in the way of mere dwelling and food and clothing, but in the way of happiness and comfort and education, and of the thousand and one pleasures for our family, and particularly for our children, which could not have been secured fifty years ago under Free-Trade then, or even ten years ago under Free-Trade then. The improvements in all utilities for the workshop, the office, the home, transportation, the church, the school and all forms of recreation are simply a revelation to foreign people, and particularly foreign working people who visit our country. They are found nowhere else on earth to such an extent as they are found here. Nowhere do the working people own so many homes as here in our prosperous country, and so the subject can be pursued to show that a country and a people who do their own work, who build up and maintain their own home market, can and do enjoy a standard of living that cannot be approached or even thought of in a country whose people are idle because there is no wall to protect them against foreign competition.

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The success of the capitalist, and especially of the banker, conditioned upon the prosperity of both workingman and farmer.—President Roosevelt, on the Law of Civilization and Decay—American Ideals, p. 367.

remained unchanged, wages per hour increased 1.6 per cent. weekly earnings per employee increased 1.6 per cent., the total weekly earnings of all employees increased 8.0 per cent., retail prices of food increased 0.6 per cent., the wages of one hour would purchase 1.0 per cent. more food, and the earnings per employee in a week would purchase 1.0 per cent. more food.

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## ADVANCING PRICES.

### German Hotels Forced to Charge Higher Prices.

Consul Joseph I. Brittain advises from Kehl that a joint meeting of the Hotel Proprietors' Association and Restaurant Keepers' Union in Strassburg all prices on the bills-of-fare were advanced from 10 to 20 per cent. from May 1.

One restaurant proprietor who was interviewed said they were obliged to increase their prices to customers in consequence of the continual advance in the prices of meat, vegetables, and other food products in Strassburg. He stated that they were also obliged to pay higher prices for labor; this advance, he claimed was in some cases equal to 50 per cent., and cited as an example his cook who now receives 120 marks (mark equals 23.8 cents) per month whose former wages were but 80 marks. He also stated there had been an advance in the prices for cooking utensils. It is said similar advances have been made by hotels and restaurants in various parts of Germany. There appears to be a decided upward tendency in prices in Germany, which will doubtless make it more difficult for German exporters to compete with other countries in foreign markets. These advances pertain to raw materials, manufactured products, and labor.

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## LOW WAGES IN GERMANY.

Questions relating to the improvement of the conditions connected with home industries in Germany are being eagerly discussed. A commission of inquiry, appointed by the King of Saxony, has recently published its report. The industries in which the conditions are the worst are passementerie, lace, artificial flowers, and toys. Among the passementerie workers the highest possible earnings seem to be 8 cents an hour, and the average only 4 cents in American money. The lace workers, who earn 10 pfennigs (100 pfennigs are equal to 25 cents), consider that good, but 2 and 3 pfennigs are not unusual. In the town of Pirna women are making artificial flowers for 4½ pfennigs an hour, and in the toy industry an hour's work is paid with 5½ pfennigs. In a vast number of cases the workroom serves as kitchen and bedroom as well, and the low rate of pay obliges parents to insist on their children's assistance. Ninety hours a week are not unusual for adults, and for children sixty to sixty-six hours.

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## PROOFS OF PROSPERITY.

## Average Wages and Earnings Largely Increased.

The official figures of the New York State Department of Labor give the average earnings in three months of the present year of 333,000 workmen, which were \$2.33 a day each, or \$212 for the quarter. These figures are said to be considerably above the average earnings of wage-earners generally, because they relate chiefly to skilled work. No women, and few minors, are included in the report. The average wage for a day's work in this period was \$3. Last year the average daily wage, calculated by the same period, was \$2.85. A year ago the average quarterly earnings of organized wage-workers were only \$187 as compared with the present figure of \$212. Wage-workers have shared with all others in the general prosperity of the nation.

Records of banks, railroads, real estate, and other interests, according to a Chicago dispatch, have, for the half year ending June 30, confirmed predictions from week to week that the year 1906 in the West will prove to be the greatest year of prosperity in the history of the country. Clearings of Chicago banks for June show an increase of \$77,100,000, or 9.4 per cent., over the clearings in the same month last year. The June figures raise the total clearings for six months to \$5,433,000,000, an increase of \$540,000,000, or 11 per cent. as compared with the clearings for the first half of 1905, and the railroad statements for the period, it is said, will show the largest earnings ever reported by American railroads.

## Foreign Wages and Industrial Competition.

(*New York Journal of Commerce.*)

A recent bulletin of the Bureau of Labor presents a series of statements exhibiting the rates of wages paid in the United States, Great Britain, Germany and Belgium which is full of suggestive interest. The comparisons extend over each of the thirteen years from 1890 to 1903, inclusive, and are expressed in rates per hour, so as to avoid inequality in factors arising from differences in the period of work covered by the wage quotation and thereby simplify statistical processes and evade occasion for needless cavil. It may seem unfortunate that the statistics cover only thirteen branches of labor and they not the most prominent; but there is quite a possibility of undue prolixity in Government exhibits intended for popular information, and so long as the limited number of trades selected fairly reflect the course of movements common to the industries at large, little is lost to trustworthiness of data in limiting the number of employments cited.

The following tabulation shows the wages per hour paid, in the three leading industrial nations, in twelve common employments, during the year 1903, the figures expressing decimals of a dollar per one hour's work:

Employment.	Germany.	Great Britain.	United States.
Blacksmiths .....	\$0.1237	\$0.1740	\$0.2951
Boiler makers.....	.1123	.1719	.2848
Bricklayers .....	.1323	.2060	.5472
Carpenters .....	.1301	.2028	.3594
Compositors .....	.1411	.1795	.4487
Hod carriers.....	.0849	.1250	.2863
Iron molders.....	.1140	.1787	.3036
General laborers.....	.0797	.1019	.1675
Machinists .....	.1310	.1677	.2707
Painters .....	.1194	.1774	.3450
Plumbers .....	.1148	.2027	.4429
Stone masons.....	.1328	.2078	.4579
Total wages per hour for 12 classes of labor..	\$1.4166	\$2.0954	\$4.2071

It will be seen from these data that, in the case of Germany, on an average of the twelve trades cited, one hour's work represents approximately 12 cents of earnings; in the case of Great Britain 17½ cents per hour; and, in the United States, 35 cents per hour. Or, to express the same ratios in percentages, the British employer has to pay, on the average of these trades, 46

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per cent. more for labor than the German employer pays, while the difference as against the American employer is 191 per cent.

Such was the condition of the comparative rates of wages in these largest industrial countries, in 1903. The following tabulation compares the wage conditions for that year with those of 1890, and at the same time shows the advances in rates during the thirteen years' interval:

	Ger- many.	Great Britain.	United States.
Blacksmiths—1890 .....	\$0.1175	\$0.1652	\$0.2677
1903 .....	.1237	.1740	.2951
Advance .....	.0062	.0088	.0274
Boiler makers—1890.....	.0986	.1595	.2594
1903 .....	.1123	.1719	.2848
Advance .....	.0137	.0124	.0254
Bricklayers—1890 .....	.1103	.1757	.4316
1903 .....	.1328	.2060	.5474
Advance .....	.0225	.0303	.1158
Carpenters—1890 .....	.1025	.1690	.2713
1903 .....	.1301	.2028	.3594
Advance .....	.0276	.0338	.0881
Compositors—1890 .....	.1065	.1572	.3980
1903 .....	.1411	.1795	.4467
Advance .....	.0346	.0223	.0487
Hod carriers—1890.....	.0675	.1217	.2259
1903 .....	.0849	.1250	.2863
Advance .....	.0174	.0033	.0604
Iron molders—1890.....	.1009	.1678	.2540
1903 .....	.1140	.1787	.3036
Advance .....	.0131	.0109	.0496
General laborers—1890.....	.0641	.0948	.1507
1903 .....	.0797	.1019	.1675
Advance .....	.0156	.0071	.0168
Machinists—1890 .....	.0973	.1534	.2409
1903 .....	.1310	.1677	.2767
Advance .....	.0337	.0143	.0298
Painters—1890 .....	.0934	.1554	.2680
1903 .....	.1194	.1774	.3450
Advance .....	.0260	.0220	.0770
Plumbers—1890 .....	.0946	.1757	.3464
1903 .....	.1148	.2027	.4429
Advance .....	.0202	.0270	.0965
Stone masons—1890.....	.1103	.1774	.3722
1903 .....	.1328	.2078	.4597
Advance .....	.0225	.0304	.0875

The total wages per hour for the twelve industries compare as follows, for the three countries, in 1890 and 1903, respectively:

	1890.	1903.	Inc.
Germany .....	\$1.1635	\$1.4166	\$0.2531
Great Britain.....	1.8728	2.0954	.2226
United States.....	3.4861	4.2071	.7210

This comparison shows that wages have risen during the thirteen years, on the average of 21.8 per cent. in Germany, 11.9 per cent. in Great Britain and 20.7 per cent. in the United States. In each country there have been conspicuous cases of industries in which the rise of wages has been considerably higher than the foregoing figures indicate; but nevertheless the trades selected may be assumed to approximate the general average course of prices. It is to be noted that the rise has been in an almost equal ratio of percentage in Germany and the United States. In Great Britain the rate of advance has been only a little over one-half that which has occurred in the two other nations; which indicates a mild tendency on the part of Germany towards an assimilation in its wages towards the British standard.

"The more work there is to do in this country, the higher the wages that will be paid for doing it. That policy which secures the largest amount of work to be done at home is the policy which will secure to our laboring men steady employment at the best wages. A policy which will transfer work from our mines and factories to foreign mines and foreign factories inevitably tends to the depression of wages here."—Benjamin Harrison, 1888.

## COURSE OF WHOLESALE PRICES, 1890 TO 1905.

Summary of Relative Prices of Commodities, 1890 to 1905,  
by Groups.

(Average price for 1890-1899=100.)

Year.	Farm products.	Food, etc.	Cloths and clothing.	Fuel and lighting.	Metals and implements.	Lumber and building materials.	Drugs and chemicals.	Housefurnishing goods.	Miscellaneous.	All commodities.
1890.....	110.0	112.4	113.5	104.7	119.2	111.8	110.2	111.1	110.3	112.9
1891.....	121.5	115.7	111.3	102.7	111.7	108.4	103.6	110.2	109.4	111.7
1892.....	111.7	103.6	109.0	101.1	106.0	102.8	102.9	106.5	106.2	106.1
1893.....	107.9	110.2	107.2	100.0	100.7	101.9	100.5	104.9	105.9	105.6
1894.....	95.9	99.8	96.1	92.4	90.7	96.3	89.8	100.1	99.8	96.1
1895.....	93.3	94.6	92.7	98.1	92.0	94.1	87.9	96.5	94.5	93.6
1896.....	78.3	83.8	91.3	104.3	93.7	93.4	92.6	94.0	91.4	90.4
1897.....	85.2	87.7	91.1	96.4	86.6	90.4	94.4	89.8	92.1	89.7
1898.....	96.1	94.4	93.4	95.4	86.4	95.8	106.6	92.0	92.4	93.4
1899.....	100.0	98.3	96.7	105.0	114.7	105.8	111.3	95.1	97.7	101.7
1900.....	109.5	104.2	106.8	120.9	120.5	115.7	115.7	106.1	109.8	110.5
1901.....	116.9	105.9	101.0	119.5	111.9	116.7	115.2	110.9	107.4	108.5
1902.....	130.5	111.3	102.0	134.3	117.2	118.8	114.2	112.2	114.1	112.9
1893.....	118.8	107.1	106.6	149.3	117.6	121.4	112.6	113.0	113.6	113.6
1904.....	126.2	107.2	109.8	132.6	109.6	122.7	110.0	111.7	111.7	113.0
1905.....	124.2	108.7	112.0	128.8	122.5	127.8	109.1	109.1	112.8	115.9

In this table the average relative prices of farm products are based on 16 articles; of food, etc., on 53 articles from 1890 to 1892 and 1904 and 1905, and 54 from 1893 to 1903; of cloths and clothing, on 70 articles in 1890 and 1891, 72 in 1892, 73 in 1893 and 1894, 75 in 1895 and 1896, and 76 from 1897 to 1905; of fuel and lighting, on 13 articles; of metals and implements, on 37 articles from 1890 to 1893, 38 in 1894 and 1895 and from 1899 to 1905, and 39 from 1896 to 1898; of lumber and building materials, on 26 articles from 1890 to 1894, and 27 from 1895 to 1905; of drugs and chemicals, on 9 articles; of house furnishing goods, on 14 articles, and of miscellaneous, on 13 articles. The average relative prices of all commodities are based on 251 articles in 1890 and 1891, on 253 in 1892, on 255 in 1893, on 256 in 1894, on 259 in 1895, 1904 and 1905, on 260 in 1896 and from 1899 to 1903, and on 261 in 1897 and 1898.

A study of the table shows that the group of farm products reached the lowest average in 1896 and the highest in 1902; that of food, etc., the lowest in 1896 and the highest in 1891; that of cloths and clothing, the lowest in 1897 and the highest in 1890; that of fuel and lighting, the lowest in 1894 and the highest in 1903; that of metals and implements, the lowest in 1898 and the highest in 1905; that of lumber and building materials, the lowest in 1897 and the highest in 1905; that of drugs and chemicals, the lowest in 1895 and the highest in 1900; that of house furnishing goods, the lowest in 1897 and the highest in 1903, while in the miscellaneous group the lowest average was reached in 1896 and the highest in 1902. The average for all commodities combined was the lowest in 1897 and the highest in 1905. Of the nine groups it is seen that one reached its lowest point in 1894, one in 1895, three in 1896, three in 1897, and one in 1898. The highest point was reached by one group in 1890, by one in 1891, by one in 1900, by two in 1902, by two in 1903, and by two in 1905.

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"The Western farmer's instinct is wiser than Mr. Gladstone's philosophy. The farmer knows that the larger the home market the better are his prices, and that as the home market is narrowed his prices fall."—James G. Blaine.

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The present phenomenal prosperity has been won under a tariff which was made to protect the interests of the American producer, business man, wage-worker and farmer alike.—President Roosevelt at Minneapolis, April 4, 1903.

## Course of Wholesale Prices, 1890 to 1905.

(From Bulletin of the Bureau of Labor, March, 1906.)

To assist in making easy a comparison of 1905 prices of the general groups and of all commodities with prices of the other years the opposite table has been prepared, showing the per cent. of increase of 1905 prices over the prices of each year from 1890 to 1904:

From this table it is seen that the group farm products in 1905 was 12.9 per cent. higher than in 1890, 2.2 per cent. higher than in 1891, 11.2 per cent. higher than in 1892, 15.1 per cent. higher than in 1893, 29.5 per cent. higher than in 1894, 33.1 per cent. higher than in 1895, 58.6 per cent. higher than in 1896, 45.8 per cent. higher than in 1897, 29.2 per cent. higher than in 1898, 24.2 per cent. higher than in 1899, 13.4 per cent. higher than in 1900, 6.2 per cent. higher than 1901, 4.8 per cent. lower than in 1902, 4.5 per cent. higher than in 1903, and 1.6 per cent. lower than in 1904.

The average for all commodities combined in 1905 was 2.7 per cent. higher than in 1890, 3.8 per cent. higher than in 1891, 9.2 per cent. higher than in 1892, 9.8 per cent. higher than in 1893, 20.6 per cent. higher than 1894, 23.8 per cent. higher than in 1895, 28.2 per cent. higher than in 1896, 29.2 per cent. higher than in 1897, 24.1 per cent. higher than in 1898, 14 per cent. higher than in 1899, 4.9 per cent. higher than in 1900, 6.8 per cent. higher than in 1901, 2.7 per cent. higher than in 1902, 2 per cent. higher than in 1903, and 2.6 per cent. higher than in 1904.

## PRICE OF SILVER AND RATIO TO GOLD.

## Annual Price of Silver in London, Per Ounce, and Commercial Ratio of Silver to Gold: 1833 to 1905.

(From the Report of the Director of the Mint on the Production of Precious Metals in the United States.)

Calendar year.	Average quotation.	Value of a fine ounce at average quotation.	Commercial ratio.	Calendar year.	Average quotation.	Value of a fine ounce at average quotation.	Commercial ratio.
Pence.	Dollars.			Pence.	Dollars.		
1833....	59 <sup>3</sup> / <sub>16</sub>	1.297	15.93	1870....	60 <sup>9</sup> / <sub>16</sub>	1.328	15.57
1834....	59 <sup>1</sup> / <sub>16</sub>	1.313	15.73	1871....	60 <sup>1</sup> / <sub>2</sub>	1.326	15.57
1835....	59 <sup>1</sup> / <sub>16</sub>	1.308	15.80	1872....	60 <sup>5</sup> / <sub>16</sub>	1.322	15.63
1836....	60	1.315	15.72	1873....	59 <sup>3</sup> / <sub>16</sub>	1.29769	15.93
1837....	59 <sup>9</sup> / <sub>16</sub>	1.305	15.83	1874....	58 <sup>5</sup> / <sub>16</sub>	1.27883	16.16
1838....	59 <sup>1</sup> / <sub>2</sub>	1.304	15.85	1875....	56 <sup>1</sup> / <sub>16</sub>	1.24233	16.64
1839....	60 <sup>3</sup> / <sub>16</sub>	1.323	15.62	1876....	53 <sup>3</sup> / <sub>16</sub>	1.16414	17.75
1840....	60 <sup>3</sup> / <sub>16</sub>	1.323	15.62	1877....	54 <sup>1</sup> / <sub>16</sub>	1.20189	17.20
1841....	60 <sup>1</sup> / <sub>16</sub>	1.316	15.70	1878....	52 <sup>3</sup> / <sub>16</sub>	1.15358	17.92
1842....	59 <sup>7</sup> / <sub>16</sub>	1.303	15.87	1879....	51 <sup>1</sup> / <sub>4</sub>	1.12392	18.39
1843....	59 <sup>7</sup> / <sub>16</sub>	1.297	15.93	1880....	52 <sup>1</sup> / <sub>4</sub>	1.14507	18.05
1844....	59 <sup>1</sup> / <sub>2</sub>	1.304	15.85	1881....	51 <sup>5</sup> / <sub>16</sub>	1.13229	18.25
1845....	59 <sup>1</sup> / <sub>4</sub>	1.298	15.92	1882....	51 <sup>1</sup> / <sub>16</sub>	1.13562	18.20
1846....	59 <sup>5</sup> / <sub>16</sub>	1.30	15.90	1883....	50 <sup>9</sup> / <sub>16</sub>	1.10874	18.64
1847....	59 <sup>1</sup> / <sub>16</sub>	1.308	15.80	1884....	50 <sup>1</sup> / <sub>16</sub>	1.11068	18.61
1848....	59 <sup>1</sup> / <sub>2</sub>	1.304	15.85	1885....	48 <sup>9</sup> / <sub>16</sub>	1.06510	19.41
1849....	59 <sup>3</sup> / <sub>4</sub>	1.309	15.78	1886....	45 <sup>3</sup> / <sub>8</sub>	.99467	20.78
1850....	61 <sup>1</sup> / <sub>16</sub>	1.316	15.70	1887....	44 <sup>1</sup> / <sub>16</sub>	.97946	21.10
1851....	61	1.337	15.46	1888....	42 <sup>7</sup> / <sub>16</sub>	.93974	22.00
1852....	60 <sup>1</sup> / <sub>2</sub>	1.326	15.59	1889....	42 <sup>1</sup> / <sub>16</sub>	.93511	22.10
1853....	61 <sup>1</sup> / <sub>2</sub>	1.348	15.33	1890....	47 <sup>3</sup> / <sub>16</sub>	1.04634	19.75
1854....	61 <sup>1</sup> / <sub>2</sub>	1.348	15.33	1891....	45 <sup>1</sup> / <sub>16</sub>	.98800	20.92
1855....	61 <sup>1</sup> / <sub>16</sub>	1.344	15.38	1892....	39 <sup>3</sup> / <sub>16</sub>	.87145	23.72
1856....	61 <sup>1</sup> / <sub>16</sub>	1.344	15.38	1893....	35 <sup>3</sup> / <sub>16</sub>	.78030	26.49
1857....	61 <sup>3</sup> / <sub>16</sub>	1.353	15.27	1894....	28 <sup>1</sup> / <sub>16</sub>	.63479	32.56
1858....	61 <sup>1</sup> / <sub>16</sub>	1.344	15.38	1895....	29 <sup>1</sup> / <sub>16</sub>	.65406	31.60
1859....	62 <sup>1</sup> / <sub>16</sub>	1.36	15.19	1896....	30 <sup>1</sup> / <sub>16</sub>	.67565	30.59
1860....	61 <sup>1</sup> / <sub>16</sub>	1.352	15.29	1897....	27 <sup>9</sup> / <sub>16</sub>	.60483	34.20
1861....	60 <sup>1</sup> / <sub>16</sub>	1.333	15.50	1898....	26 <sup>1</sup> / <sub>16</sub>	.59010	35.03
1862....	61 <sup>1</sup> / <sub>16</sub>	1.346	15.35	1899....	27 <sup>7</sup> / <sub>16</sub>	.60154	34.36
1863....	61 <sup>3</sup> / <sub>16</sub>	1.345	15.37	1900....	28 <sup>5</sup> / <sub>16</sub>	.62007	33.33
1864....	61 <sup>3</sup> / <sub>16</sub>	1.345	15.37	1901....	27 <sup>1</sup> / <sub>16</sub>	.59595	34.68
1865....	61 <sup>1</sup> / <sub>16</sub>	1.338	15.44	1902....	24 <sup>1</sup> / <sub>16</sub>	.52795	39.15
1866....	61 <sup>1</sup> / <sub>16</sub>	1.339	15.43	1903....	24 <sup>3</sup> / <sub>16</sub>	.54257	38.10
1867....	60 <sup>9</sup> / <sub>16</sub>	1.328	15.57	1904....	26 <sup>1</sup> / <sub>16</sub>	.57876	35.70
1868....	60 <sup>1</sup> / <sub>2</sub>	1.326	15.59	1905....	27 <sup>3</sup> / <sub>16</sub>	.61027	33.87
1869....	60 <sup>1</sup> / <sub>16</sub>	1.325	15.60				



## PER CENT. OF INCREASE IN WHOLESALE PRICES OF THE GENERAL GROUPS OF COMMODITIES IN 1905 OVER PRICES IN PREVIOUS YEARS.

Group.	Per cent. of increase in 1905 over—									
	1890.	1892.	1893.	1894.	1896.	1897.	1898.	1900.	1901.	1902. 1903. 1904
Farm products.....	12.9	11.2	15.1	29.5	58.6	45.8	29.2	13.4	6.2	*4.8 4.5 *1.6
Food, etc.....	*3.3	4.9	*1.4	8.9	29.7	23.9	15.1	4.3	2.6	*2.3 1.5 1.4
Cloths and clothing.....	*1.3	2.8	4.5	16.5	22.7	22.9	19.9	4.9	10.9	9.8 5.1 2.0
Fuel and lighting.....	23.0	27.4	28.8	39.4	23.5	33.6	35.0	6.5	7.8	*4.1 *13.7 *2.9
Metals and implements.....	2.8	15.6	21.6	35.1	30.7	41.5	41.8	1.7	9.5	4.5 4.2 11.8
Lumber and building materials.....	14.3	24.3	25.4	32.7	36.8	41.4	33.4	10.5	9.5	7.6 5.3 4.2
Drugs and chemicals.....	*1.0	6.0	8.6	21.5	17.8	15.6	2.3	*5.7	*5.3	*4.5 *3.1 *.8
Housefurnishing goods.....	*1.8	2.4	4.0	9.0	16.1	21.5	18.6	2.8	*1.6	*2.8 *3.5 *2.3
Miscellaneous .....	2.3	6.2	6.5	13.0	23.4	22.5	22.1	2.7	5.0	*1.1 *.7 1.0
All commodities.....	2.7	9.2	9.8	20.6	28.2	29.2	24.1	4.9	6.8	2.7 2.0 2.6

\*Decrease.

## PRICES PROPORTIONED TO CONSUMPTION.

Leading Classes of Necessary Articles of Daily Consumption:  
Prices, in New York City, from July 1, 1860, to January 1, 1906.

(Index Number, from Dun's Review.)

Date.	Bread- stuffs.	Meats.	Dairy and garden.	Other food.	Clothing.	Metals.	Miscella- neous.	Total.
Dol's.	Dol's.	Dol's.	Dol's.	Dol's.	Dol's.	Dol's.	Dol's.	Dol's.
July 1—								
1860.....	20.530	8.973	12.662	8.894	22.439	25.851	15.842	115.101
1861.....	15.749	7.485	10.813	7.653	21.147	22.500	16.573	101.920
1862.....	18.057	7.150	13.406	10.987	23.413	22.207	17.290	113.510
1863.....	26.154	10.115	13.530	16.359	45.679	37.079	24.264	173.180
1864.....	45.616	15.685	26.053	27.303	73.485	59.192	31.653	278.987
1865.....	25.404	16.112	18.049	21.057	49.307	38.956	25.551	194.436
1866.....	31.471	17.153	23.472	20.821	45.377	41.762	27.922	207.978
1867.....	36.537	14.278	18.418	20.167	38.169	35.426	25.529	188.524
1868.....	38.416	13.210	23.614	19.720	35.694	27.385	24.786	182.825
1869.....	29.116	13.181	18.121	16.347	35.309	28.355	24.201	164.630
1870.....	25.322	14.161	16.112	13.308	31.480	26.612	21.786	148.781
1871.....	24.809	12.177	20.799	13.823	30.624	27.371	21.907	151.510
1872.....	22.171	11.055	16.019	14.845	32.427	32.643	21.319	150.479
1873.....	20.460	10.114	15.629	13.625	29.411	32.298	21.552	143.089
1874.....	25.657	11.560	19.142	13.678	27.260	25.254	19.582	143.133
1875.....	24.848	13.287	14.918	14.418	25.318	23.515	18.398	134.702
1876.....	18.777	10.726	15.912	12.914	21.747	20.452	15.951	116.479
1877.....	21.812	10.036	11.790	13.321	21.850	15.578	15.160	109.547
1878.....	15.672	8.181	10.608	11.346	19.836	15.789	14.836	96.268
1879.....	17.054	8.239	10.253	9.884	20.420	15.149	16.286	97.285
1880.....	17.461	9.230	12.594	11.539	21.984	18.708	17.139	108.655
1881.....	20.369	11.381	11.311	11.663	20.982	19.295	16.900	111.901
1882.....	25.494	13.740	14.685	11.627	21.202	19.832	16.650	123.230
1883.....	19.018	11.210	12.250	10.726	20.209	18.071	15.764	107.248
1884.....	17.871	11.172	11.369	9.323	19.014	16.272	14.685	99.706
1885.....	16.370	9.205	10.872	8.712	17.740	14.132	13.666	90.697
1886.....	15.311	8.906	10.241	8.570	18.063	14.466	13.669	89.226
1887.....	15.156	8.667	11.188	9.252	18.174	16.035	15.153	93.624
1888.....	16.984	9.416	11.849	9.917	17.447	15.366	14.155	95.134
1889.....	14.351	8.244	9.695	10.912	17.107	14.782	14.600	89.691
1890.....	14.867	8.036	10.711	9.749	17.264	15.506	15.416	91.549
1891.....	19.782	9.217	12.455	9.339	16.501	15.107	13.691	96.092
1892.....	17.426	8.700	10.403	8.733	15.648	14.827	14.252	90.105
1893.....	14.963	10.135	11.710	9.188	15.871	14.030	14.716	90.613
1894.....	15.115	9.339	10.394	8.478	13.860	12.015	14.041	83.292
1895.....	14.765	8.622	9.874	8.689	15.315	11.021	13.233	81.519
1896.....	10.504	7.058	7.872	8.529	13.602	13.232	13.520	74.317
1897—Jan. 1.....	11.729	7.327	10.456	8.170	12.407	13.014	12.399	75.502
July 1 (low).....	10.587	7.529	8.714	7.887	13.808	11.642	12.288	72.455
1898—Jan. 1.....	13.511	7.336	12.371	8.312	14.654	11.572	12.184	79.940
July 1.....	12.783	7.694	9.437	8.826	14.663	11.843	12.522	77.768
1899—Jan. 1.....	13.816	7.520	11.458	9.096	14.150	11.843	12.540	80.423
July 1.....	13.483	7.988	10.974	9.157	15.021	15.635	12.969	85.227
1900—Jan. 1.....	13.254	7.258	12.702	9.200	17.484	18.085	16.312	95.295
July 1.....	14.898	8.906	10.901	9.482	16.324	14.834	16.070	91.415
1901—Jan. 1.....	14.486	8.407	15.556	9.504	16.024	15.810	15.881	95.668
July 1.....	14.904	9.430	11.030	9.086	15.098	15.344	16.617	91.509
1902—Jan. 1.....	20.002	9.670	15.248	8.952	15.547	15.375	16.793	101.587
July 1.....	20.534	11.628	12.557	8.748	15.533	16.084	16.826	101.910
1903—Jan. 1.....	17.104	9.522	14.613	9.418	15.938	17.185	16.578	100.356
July 1.....	17.473	9.269	13.083	9.186	17.136	16.544	16.765	99.456
1904—Jan. 1.....	17.102	8.138	15.287	9.653	17.316	15.887	16.759	100.142
July 1.....	18.244	9.033	10.648	10.406	16.514	15.428	16.919	97.192
1905—Jan. 1.....	18.278	7.950	13.948	10.699	16.319	16.188	16.936	100.318
July 1.....	18.831	8.614	9.982	9.922	17.986	15.916	17.061	98.312
1906—Jan. 1.....	16.554	8.426	14.399	9.822	19.313	17.141	18.809	104.464
Feb. 1.....	16.058	8.690	13.977	9.688	19.139	17.042	19.417	104.011
Mar. 1.....	15.715	9.152	13.644	9.626	19.015	16.973	20.079	104.204
Apr. 1.....	16.294	9.335	14.738	9.419	19.125	16.927	20.228	106.066
May 1.....	17.050	9.295	13.842	9.464	19.192	16.948	20.268	106.059
June 1.....	17.379	9.452	14.350	9.477	19.128	16.591	20.417	106.794
July 1.....	17.923	9.677	12.590	9.645	19.177	16.649	19.555	105.216
Aug. 1.....	16.434	9.712	11.968	9.760	18.970	16.786	19.355	102.985

Note.—In the above table the course of prices of commodities is shown, and in each case the price is multiplied by the annual per capita consumption, which precludes any one commodity having more than its proper weight in the aggregate. Breadstuffs include many quotations of wheat, corn, oats, rye, barley, beans, and pease; meats include live hogs, beef, sheep, and many provisions, lard, tallow, etc.; dairy and garden products embrace eggs, vegetables, fruits, milk, butter, cheese, etc.; other food includes fish, liquors, condiments, sugar, rice, tobacco, etc.; clothing covers the raw material of each industry, and many quotations of woollen, cotton, silk, and rubber goods, as well as hides, leather, boots, and shoes; metals include various quotations of pig iron and partially manufactured and finished products, as well as the minor metals, tin, lead, copper, etc., and coal and petroleum; miscellaneous includes many grades of hard and soft lumber, laths, brick, lime, glass, turpentine, hemp, linseed oil, paints, fertilizers, and drugs. The third decimal is given for accuracy of comparison.

## THE TARIFF AND PRICES.

Those Free-Traders who are so much concerned over the higher prices of commodities should read the speech of Representative Hill of Connecticut, delivered in the House February 18, 1904. In this speech Mr. Hill presents the two tables below as showing the difference in the prices of certain commodities July, 1896, and since. He takes a certain number of articles on the free list and a certain number of the dutiable list in order to show what effect the Tariff may have had upon the change in prices. The two tables are as follows:

## Items on Free List.

	July, 1896.	July, 1901.	July, 1902.	July, 1903.	January, 1904.
Anthracite stove coal (f.o.b. N. Y.), ton .....	\$3.881	\$4.236	.....	\$4.80	\$4.75
Anthracite broken coal (f.o.b. N. Y.), ton.....	3.228	3.509	.....	4.55	5.00
Copper, lake, ingot (New York), per pound.....	.115	.17	\$0.1225	.1425	.125
Flax, Kentucky, per pound..	.08	.10	.095	.....	.....
Jute, spot, per pound.....	.035	.035	.0325	.045	.045
Petroleum, crude (at well), per barrel.....	1.0825	1.1337	1.22	1.50	1.85
Petroleum, refined, per gallon .....	.069	.069	.074	.14	.15
Petroleum, ref. (150 p. c. test, for exp.), per gallon.....	.1087	.1075	.11	.1005	.1405
Rubber, island, per pound...	.84	.86	.77	.87	.94
Sisal, spot, per pound.....	.0362	.0562	.095	.0762	.075
Binder twine, per pound.....	.0675	.0975	.1425	.145	.145

## Items on Dutiable List.

	July, 1896.	July, 1901.	July, 1902.	July, 1903.	January, 1904.	Duty.
Alcohol (94 p. c.), per gallon .....	\$2.31	\$2.43	\$2.51	\$2.48	\$2.40	\$2.25 per gall.
Brick, per thousand....	5.25	5.75	6.25	5.25	.....	25 p. c.
Bread, Boston crackers, pound .....	.065	.08	.....	.08	.07	20 p. c.
Cotton flannels, per yard .....	.065	.0625	.....	.08	.....	50 p. c. & up.
Cement, Rosendale, per barrel .....	.85	1.00	.95	.90	.95	8c. per lb.
Fish, canned salmon, per dozen.....	1.65	1.70	1.65	1.65	1.65	30 p. c.
Ginghams, per yard....	.0425	.0475	.....	.08	.08	45 p. c.
Glassware, pitchers, per dozen .....	1.25	1.30	.....	.....	.....	40 p. c.
Wire nails, per keg....	3.15	2.40	2.10	2.05	2.00	½c. per lb.
Cut nails, per keg.....	2.90	2.10	2.05	2.20	1.95	6-10c. per lb.
Fresh beef sides, per pound .....	.075	.09	.....	.125	.125	2c. per lb.
Salt beef, per barrel....	16.00	21.50	22.50	11.50	11.00	5c. per lb.
Salt pork, per barrel...	8.25	16.75	19.75	17.75	13.50	25 p. c.
Hams, smoked, per barrel .....	.10	.115	.125	.1375	.12	5c. per lb.
Pig iron, foundry, Philadelphia, ton.....	12.75	15.87	22.75	18.50	15.00	\$4 per ton.
Rice, per pound.....	.0525	.0537	.0575	.55	.04	2c. per lb.
Sugar, centrifugal, per pound .....	.035	.0425	.0337	.0356	.0347	\$1.825 per cwt.
Sugar, granulated, per pound .....	.046	.0524	.0475	.047	.0436	\$1.95 per cwt.
Steel rails, Pittsburg, per ton.....	28.00	28.00	28.00	28.00	28.00	\$7.84 per ton.
Ashton salt, per bushel.	2.10	2.25	2.25	2.25	2.25	12c. per lb.
Tin plate, per cwt.....	3.45	4.19	4.19	4.00	3.80	1½c. per lb.

Of the eleven items on the free list, every one of them has greatly advanced in price since 1896, the average advance on all being 53.54 per cent.

Of the twenty-one items on the dutiable list twelve have advanced in price, three are the same now as then, and six have been reduced.

The average advance on the dutiable list is 8.6 per cent., as against 53.54 per cent. on the free list.

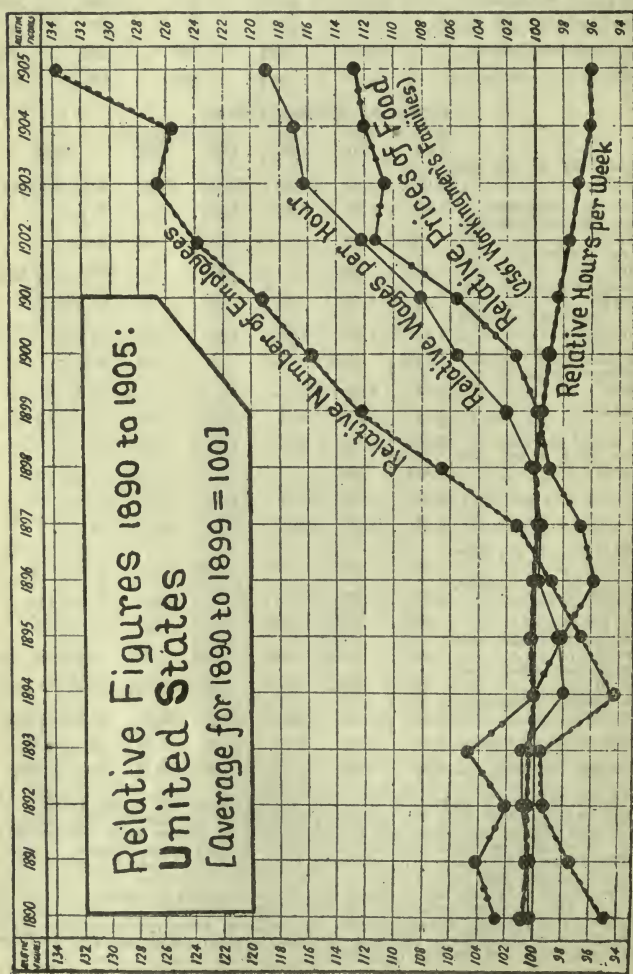
The articles are all taken from the list of articles controlled by trusts, found in the Democratic campaign text-book, beginning on page 369, and includes every article named therein as free and twenty-one dutiable ones.

The prices from 1896 to 1902 are as therein given, and the 1903 and 1904 prices are from the Bureau of Statistics.



## RELATIVE WAGES, PRICES, ETC.

The accompanying diagram shows at a glance the movement from 1890 to 1905 of wages, hours of work, number of employees and retail prices of food, as compared with the average for 1890-1899. The lines show most vividly the remarkable increase in work and wages—both much in excess of the increase in price of food, while the hours per week show a substantial decline. The lines also show how employment fell off in 1893-1897, as well as wages, to more than offset the decline in prices of food. The diagram is based on a similar one just issued by the Bureau of Labor of the Department of Commerce and Labor, after an investigation covering 349 occupations, 4,121 establishments and 314,009 employees.



## PRICES OF COMMODITIES.

## Middling Cotton and Staple Manufactures of Cotton in the New York Market: Average Prices, 1858 to 1905.

(Prepared by Mr. Joshua Reece, Jr., to 1892; since then by Mr. Alfred B. Shepperson, of New York.)

Calendar year.	Middling cotton, per pound.*	Standard sheetings, per yard.	Standard drillings, per yard.*	New York Mills, bleached shirtings, per yard.	Standard prints, per yard.	64 by printing cloths, per yard.
	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.
1858.....	12.23	8.25	8.70	15.00	9.50	5.60
1859.....	12.08	8.50	8.82	15.42	9.50	5.67
1860.....	11.00	8.73	8.92	15.50	9.50	5.44
1861.....	13.01	10.00	9.58	15.33	9.71	5.33
1862.....	31.29	18.55	18.94	21.00	14.40	9.81
1863.....	67.21	36.04	33.41	35.33	21.24	15.20
1864.....	101.50	52.07	53.02	48.35	33.25	23.42
1865.....	83.38	38.04	37.33	49.58	29.00	20.24
1866.....	43.20	24.31	25.14	45.90	21.15	14.13
1867.....	31.59	18.28	18.79	35.21	16.58	9.12
1868.....	24.85	16.79	16.49	26.65	13.83	8.18
1869.....	29.01	16.19	16.49	24.79	14.00	8.30
1870.....	23.98	14.58	14.98	22.50	12.41	7.14
1871.....	16.95	13.00	13.64	20.83	11.62	7.41
1872.....	22.19	14.27	15.14	20.66	12.00	7.83
1873.....	20.14	13.31	14.13	19.41	11.37	6.69
1874.....	17.95	11.42	11.75	18.04	9.75	5.57
1875.....	15.46	10.41	11.12	15.12	8.71	5.33
1876.....	12.98	8.85	8.71	13.58	7.06	4.10
1877.....	11.82	8.46	8.46	12.46	6.77	4.38
1878.....	11.22	7.80	7.65	11.00	6.09	3.44
1879.....	10.84	7.97	7.57	11.62	6.25	3.93
1880.....	11.51	8.51	8.51	12.74	7.41	4.51
1881.....	12.03	8.51	8.06	12.74	7.00	3.95
1882.....	11.56	8.45	8.25	12.95	6.50	3.76
1883.....	11.88	8.32	7.11	12.93	6.00	3.60
1884.....	10.88	7.28	6.86	10.46	6.00	3.36
1885.....	10.45	6.75	6.36	10.37	6.00	3.12
1886.....	9.28	6.75	6.25	10.65	6.00	3.31
1887.....	10.21	7.15	6.58	10.88	6.00	3.33
1888.....	10.03	7.25	6.75	10.94	6.50	3.81
1889.....	10.65	7.00	6.75	10.50	6.50	3.81
1890.....	11.07	7.00	6.75	10.90	6.00	3.34
1891.....	8.60	6.83	6.41	10.64	6.00	2.95
1892.....	7.71	6.50	5.60	10.25	6.25	3.39
1893.....	8.56	5.90	5.72	9.75	5.25	3.30
1894.....	6.94	5.11	5.07	9.50	4.90	2.75
1895.....	7.44	5.74	5.69	9.85	5.25	2.86
1896.....	7.93	5.45	5.48	9.50	4.66	2.60
1897.....	7.00	4.73	4.75	9.25	4.70	2.43
1898.....	5.94	4.20	4.10	8.00	3.96	2.06
1899.....	6.88	5.28	5.13	9.50	4.25	2.69
1900.....	9.25	6.05	5.95	10.75	5.00	3.21
1901.....	8.75	5.54	5.48	10.25	4.62	2.84
1902.....	9.00	5.48	5.52	10.50	5.00	3.11
1903.....	11.18	6.25	6.37	10.75	5.00	3.25
1904.....	11.75	7.13	7.31	10.50	5.00	3.44
1905.....	9.80	7.00	7.00	9.00	4.75	3.13

\*Including 1881 and since, the prices of standard drillings are net; raw cotton prices are also net for the entire period.

Free trade will offer free raw materials without power to use them, which is no more than to give a man ruffles who wants a shirt.—Senator Justin S. Morrill.

When I talk about wages I use the word in its broadest sense, as the price and value of service, whether of brain or muscle.—Hon. Thomas B. Reed.

Under our policy of free trade we have lost that commercial and industrial superiority we acquired under the policy of strict protection. Our policy of direct taxation bears heavily upon our industries and reacts on the working classes in reduction of wages and employment. Our agriculture has been ruined and our industries are struggling hard for existence. Other nations, under a policy of strict protection, are beating us in the race of competition, not only in neutral, but in our own markets.—Sir Guilford L. Molesworth on Free Trade in England.

## PRICES OF FLEECE WOOL.

Fine, Medium and Coarse Washed Clothing Ohio Fleece Wool  
in the Eastern Markets: Prices at the Beginning of January,  
April, July and October, 1860 to 1905.

(Data furnished by Messrs. Mauger & Avery, New York.)

Year.	January			April			July			October		
	Fine.	Medium.	Coarse.	Fine.	Medium.	Coarse.	Fine.	Medium.	Coarse.	Fine.	Medium.	Coarse.
	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.
1860....	60	50	42	52	45	40	55	50	40	50	45	40
1861....	45	40	37	45	37	32	38	30	22	47	48	50
1862....	48	50	50	46	45	43	48	47	45	60	60	63
1863....	75	68	70	80	85	80	75	70	65	85	80	76
1864....	80	78	76	78	77	72	100	100	90	103	95	100
1865....	102	100	96	80	80	75	75	73	65	75	75	65
1866....	70	65	50	65	60	48	70	67	60	63	60	56
1867....	68	53	50	60	55	50	55	49	45	48	46	40
1868....	48	43	38	50	48	45	46	45	43	48	48	45
1869....	50	50	48	50	50	48	48	48	47	48	48	46
1870....	48	46	44	48	47	46	46	45	43	48	48	44
1871....	47	46	43	50	52	47	62	60	55	63	62	58
1872....	70	72	66	80	80	76	72	70	65	66	60	57
1873....	70	68	65	56	53	48	50	48	44	54	53	47
1874....	58	54	47	56	56	47	53	53	46	54	54	47
1875....	55	56	47	54	52	46	52	49	46	48	50	42
1876....	48	52	42	46	49	40	33	35	31	45	40	33
1877....	46	43	36	45	40	33	50	44	37	48	44	36
1878....	44	45	38	40	43	35	36	36	32	35	37	32
1879....	34	35	32	34	34	31	37	38	34	41	43	38
1880....	50	55	48	55	60	52	46	48	42	46	48	42
1881....	47	49	43	40	44	37	42	44	36	43	46	36
1882....	44	46	37	42	45	34	42	45	34	42	45	34
1883....	40	43	33	44	44	37	39	41	33	39	40	34
1884....	40	40	34	38	38	34	35	34	30	35	34	30
1885....	34	33	29	32	32	28	32	31	28	33	35	32
1886....	25	38	32	33	34	30	33	33	29	35	38	34
1887....	33	38	34	33	37	33	34	37	34	32	36	34
1888....	31	35	33	31	34	33	29	33	31	31	34	31
1889....	34	33	33	33	37	31	35	39	32	33	37	31
1890....	33	37	29	32	36	29	33	37	29	33	37	31
1891....	33	37	31	32	37	31	31	35	29	31	35	30
1892....	30	35	31	29	34	31	28	34	30	29	33	29
1893....	29	33	29	30	32	31	24	26	25	23	24	21
1894....	23	24	21	21	23	20	20	21	18	19	21	19
1895....	17½	20	19	16½	20	18	18	21	19	18	21	19
1896....	19	21½	19	19	21	18	17	18	17	18	19	18
1897....	19	21	19	21	22½	20	21½	23½	21	27	29	25
1898....	29	30	26	29	29½	25½	28	29	24½	28½	30	24½
1899....	26½	29	24	25½	28	24	29	31½	27	31	33½	29
1900....	35	36½	31½	32¼	35½	30½	28½	31½	27½	26½	28½	26½
1901....	27	29	26	25	27	24½	25	26	22	25	26½	23
1902....	25½	26½	24	25	26½	24	26	26¾	25	28	28½	25½
1903....	30	31	27	29½	30½	26	31½	31½	27	32	31½	28
1904....	33½	32½	29½	33½	32½	29½	32½	32½	30½	32½	33½	31½
1905....	34	35	36	34	36	36	36	39	36	35	35	34

Note by Messrs. Mauger & Avery.—This table exhibits in a concise form the prices of the three grades of a standard domestic fleece wool in the seaboard markets at the beginning of each quarter. In its present shape it is deemed to be intelligible to all interested in wool. In the special features of character and condition, "washed Ohio fleece wool" is less subject to variation than any other description, and thus is more a basis of value than any other class. Wool, owing to its wide variety, difference in character and condition, and liability to shrink in cleaning, is precluded from speculative operations which apply to products which may be dealt in as "futures." For these reasons the prices of wool are not liable to the same changes as cotton, wheat, etc.

## Commerce of the Lakes.

The commerce on the Great Lakes during April and the first four months of this year exceeded that of like periods in any earlier years, and suggests a new record for lake tonnage for 1906, and that notwithstanding the labor troubles affecting that trade. For the month of April shipments from all points on these great bodies of water, according to the Railway World, amounted to 4,365,505 net tons, while for the year 1906 to April 30 they aggregated 5,418,481 tons, a gain for the month of 1,275,042, and for the four months of 1,592,656 net tons, as compared with the corresponding movements of 1905.



## PRICES OF DOMESTIC IRON.

Pig Iron, Rolled Bar Iron, Iron and Steel Rails, Steel Billets, Per Ton, and Cut and Wire Nails, Per Keg of 100 Pounds: Prices, 1858 to 1905.

(Furnished by the American Iron and Steel Association.)

Calendar year.	Pig iron				Bar iron, rolled		Steel billets. (b)	Rails (d)		Nails	
	No. 1 foundry. (a)	Gray forge. (a)	Gray forge lake ore. (b)	Bessemer. (b)	Best refined. (c)	Best refined. (b)		Iron standard sections.	Steel standard sections. (e)	Cut. (f)	Wire. (g)
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
1858.....	22.19	.....	.....	.....	62.29	.....	.....	50.00	.....	3.53	
1859.....	23.33	.....	.....	.....	60.00	.....	.....	49.38	.....	3.86	
1860.....	22.70	.....	.....	.....	58.75	.....	.....	48.00	.....	3.13	
1861.....	20.26	.....	.....	.....	60.83	.....	.....	42.38	.....	2.75	
1862.....	23.92	.....	.....	.....	70.42	.....	.....	41.75	.....	3.47	
1863.....	35.24	.....	.....	.....	91.04	.....	.....	76.88	.....	5.13	
1864.....	59.22	.....	.....	.....	146.46	.....	.....	126.00	.....	7.85	
1865.....	46.08	.....	.....	.....	106.46	.....	.....	98.63	.....	7.08	
1866.....	46.84	.....	.....	.....	98.13	.....	.....	86.75	.....	6.97	
1867.....	44.08	.....	.....	.....	87.08	.....	.....	83.13	166.00	5.92	
1868.....	39.25	.....	.....	.....	85.63	.....	.....	78.88	158.46	5.17	
1869.....	40.61	.....	.....	.....	81.67	.....	.....	77.25	132.19	4.85	
1870.....	33.23	.....	.....	.....	78.96	.....	.....	72.25	106.79	4.40	
1871.....	35.08	.....	.....	.....	78.54	.....	.....	70.38	102.52	4.52	
1872.....	48.94	.....	.....	.....	97.63	.....	.....	85.13	111.94	5.46	
1873.....	42.79	.....	35.80	.....	86.43	.....	.....	76.67	120.58	4.90	
1874.....	30.19	.....	27.16	.....	67.95	.....	.....	58.75	94.28	3.99	
1875.....	25.53	.....	23.67	.....	60.85	.....	.....	47.75	68.75	3.42	
1876.....	22.19	.....	21.74	.....	52.08	.....	.....	41.25	59.25	2.98	
1877.....	18.92	.....	20.60	.....	45.55	.....	.....	35.25	45.58	2.57	
1878.....	17.67	.....	18.09	.....	44.24	.....	.....	33.75	42.21	2.31	
1879.....	21.72	.....	22.15	.....	51.85	.....	.....	41.25	48.21	2.69	
1880.....	28.48	.....	27.98	.....	62.04	.....	.....	49.25	67.52	3.68	
1881.....	25.17	.....	22.94	.....	58.05	.....	.....	47.13	61.08	3.09	
1882.....	25.77	22.60	23.84	.....	61.41	54.51	.....	45.50	48.50	3.47	
1883.....	22.42	19.33	19.04	.....	50.31	44.24	.....	(h)	37.75	3.06	
1884.....	19.81	17.71	17.17	.....	44.05	38.45	.....	(h)	30.75	2.39	
1885.....	17.99	15.58	15.27	.....	40.32	36.59	.....	(h)	28.52	2.33	
1886.....	18.71	16.40	16.58	18.96	43.12	38.08	31.75	(h)	34.52	2.27	
1887.....	20.93	17.79	19.02	21.37	49.37	43.59	32.55	(h)	37.08	2.30	3.15
1888.....	18.88	16.21	15.99	17.38	44.99	39.67	28.78	(h)	29.83	2.03	2.55
1889.....	17.76	15.48	15.35	18.00	43.40	38.30	29.45	(h)	29.25	2.00	2.49
1890.....	18.41	15.82	15.78	18.87	45.83	41.25	30.32	(h)	31.78	2.00	2.51
1891.....	17.52	14.52	14.06	15.95	42.56	38.38	25.33	(h)	29.92	1.86	2.04
1892.....	15.75	13.54	12.81	14.37	41.81	36.79	23.63	(h)	30.00	1.83	1.70
1893.....	14.52	12.73	11.77	12.87	38.08	33.53	20.44	(h)	28.12	11.44	1.49
1894.....	12.66	10.73	9.75	11.38	29.96	26.88	16.53	(h)	24.00	11.08	1.11
1895.....	13.10	11.49	10.94	12.72	32.29	28.09	18.48	(h)	24.33	11.56	1.69
1896.....	12.95	11.09	10.39	12.14	31.36	27.22	18.83	(h)	28.00	12.36	2.54
1897.....	12.10	10.48	9.03	10.13	29.40	24.73	15.08	(h)	18.75	11.47	1.46
1898.....	11.66	10.23	9.18	10.33	28.65	23.93	15.31	(h)	17.62	11.31	1.45
1899.....	19.36	16.60	16.72	19.03	46.29	43.75	31.12	(h)	28.12	2.21	2.60
1900.....	19.98	16.49	16.90	19.49	44.00	48.12	25.06	(h)	32.29	2.46	2.76
1901.....	15.87	14.08	14.20	15.93	41.16	40.38	24.13	(h)	27.33	2.29	2.41
1902.....	22.19	19.20	19.49	20.67	47.79	43.53	30.57	(h)	28.00	2.29	2.15
1903.....	19.92	17.13	17.52	18.98	44.83	39.59	27.91	(h)	28.00	2.36	2.13
1904.....	15.57	13.67	12.89	13.76	38.49	33.17	22.18	(h)	28.00	2.01	1.96
1905.....	17.88	15.58	15.62	16.36	42.97	41.89	24.03	(h)	28.00	2.00	1.93

(Not made in commercial quantities in the United States before 1887.)

(a) At Philadelphia. (b) At Pittsburg. (c) Net price from store at Philadelphia. (d) At mills in Pennsylvania. (e) First made in commercial quantities in the United States in 1867. (f) Wholesale base prices at store, Philadelphia. (g) Base prices from factory, f.o.b. Chicago, in carload lots. (h) Superseded by the manufacture of steel rails. (i) Prices based on a new classification adopted in 1893, the base price and schedule of extras being changed to correspond with the wire-nail schedule. In December, 1896, the schedule for cut and wire nails was again changed.

The tariff affects trusts only as it affects all other interests. It makes all these interests, large or small, profitable; and its benefits can be taken from the large only under penalty of taking them from the small also.—President Roosevelt at Minneapolis, Minn., April 7, 1903.

We ought to let the tariff alone; we ought to defend it against all comers for the good of the nation. We are doing more than well and need not hunt for disaster. That will come in due time.—Hon. Thos. B. Reed, in the North American Review for December, 1902.

## LUXURIES AND NECESSITIES.

(From Dun's Review.)

Many erroneous statements appear regarding the course of prices and economic conditions bearing on this point. It is beyond the limits of this paper to controvert all the inaccuracies, or even to straighten out those who are honestly mistaken through misplaced confidence in distorted versions of trustworthy statistics. But there are times when the extravagance of an error attains such magnitude that prompt correction is needed lest uninformed readers be deceived.

Recently a prominent metropolitan daily newspaper commented editorially on a letter it had received, but, unfortunately, only quoted a few sentences from its correspondent. It dwelt upon the mysterious inaccuracies of elaborate computations, showing that the cost of living had steadily declined during recent years, and proceeded to explain why the statistics failed to coincide with the general impression that prices had actually advanced during the past decade.

Dun's Index Number of prices proportioned to consumption has not only received official endorsement by reproduction each month in the report of the Bureau of Statistics of the Treasury Department at Washington, but was awarded a silver medal in the Department of Social Economy at the Louisiana Purchase Exposition, and is therefore entitled to consideration in a matter of this nature. Its figures do not show that the "cost of living has decreased in recent years," although it has furnished "elaborate computations" on the subject. Taking the last ten years, which is the period under discussion, it is found that wholesale prices of all the ordinary necessities of life have risen from \$74.31 to \$104.20, or almost exactly 40 per cent. These figures cover the same quantities of the same articles on both dates, and each one of many hundred articles is included to the extent of its annual per capita consumption during a period of normal prosperity. In other words, each commodity is given its proper relative proportion. These are the exact statistics for the last decade.

It is also implied, if not stated directly in the editorial, that the upward tendency of prices has proved a hardship to the consumer, but this position is by no means established. Granting that the cost of living has risen materially, on the other hand, wages have not remained stationary. Nothing like complete figures are available on this point, but one official comparison shows that during the thirteen years ending with 1903, the average advance in wages in thirteen different occupations amounted to 20.7 per cent. This proportion would be greatly increased were it possible to secure figures for the last decade, because wages have risen still further since 1903, and, moreover, there was a sharp decline from 1890 to 1906, owing to less prosperous conditions throughout the nation at the latter date. Furthermore, the ratio should include an allowance for the millions who were unable to obtain work of any kind ten years ago, whereas, at the present time, no one need be idle who is willing to work, especially among those possessed of any mechanical training.

One important sociological truth was presented by the correspondent, whose letter was only quoted briefly, when he referred to the tendency of recent years to transfer items from the category of luxuries to the list of necessities. This is an economic fact, and not a theory, as stated by the editorial. Increasing prosperity throughout this nation has brought an almost universal demand for commodities formerly only consumed by the fortunate few, and improved methods of manufacture and transportation have brought many things within the reach of the masses that a few years ago were of restricted consumption. The whole standard of living has risen materially, and this country is to that extent ahead of all other nations on earth. It is possible to demonstrate this point by a few comparisons of imports last year and in 1898, which is the nearest that figures for a decade can fairly be presented, owing to the changes in tariffs that became effective July 1, 1897. The list embraces fifteen

articles that were formerly luxuries and are now of general consumption, as shown by the phenomenal increase of more than one hundred per cent. in only seven years. These articles all pay duty, except raw silks, and part of the books, fruits, furs and jewelry:

	1905.	1898.
Art works.....	\$4,634,464	\$2,014,193
Books .....	5,268,207	2,961,763
Watches .....	2,565,853	902,990
Laces and Embroideries.....	28,636,043	12,954,894
China and Porcelain.....	12,199,605	7,273,471
Linens .....	30,940,743	7,091,411
Fruits .....	19,824,581	12,922,060
Furs .....	20,180,791	8,768,330
Jewelry .....	38,732,737	11,979,364
Silk, raw.....	56,239,330	27,187,989
Silk, manufactured.....	33,591,144	25,287,419
Liquors .....	18,472,430	10,202,507
Tobacco .....	22,713,706	10,370,911
Toys .....	5,465,822	2,365,636
Wool, manufactured.....	21,373,742	15,207,738
Total .....	\$323,839,248	\$157,481,676
Increase .....		\$166,357,572

Conservative students of national problems recognize the fact that this habit of living more luxuriously may easily be carried to excess, and that a season of reaction will bring greater hardship if all the nation's surplus is expended, but it is also capable of statistical demonstration that deposits in savings banks and other preparations for rainy days are beyond precedent.

### Most Prosperous Workmen in the World.

From Leslie's Weekly, June 14, 1906.

American workmen have long held pre-eminence among the workers of the world as the best paid and most prosperous. A recent bulletin of the Department of Labor adds official weight to the general statements to this effect, and shows by how much the wage-earner of the United States is better off than his European fellows in the two countries which are America's chief industrial rivals. The following table gives the wages in twelve common employments during the year 1903, the figures expressing in decimals of a dollar the rate for one hour's work:

Employments.	Ger- many.	Great Britain.	United States.
Blacksmiths .....	\$0.1237	\$0.1740	\$0.2951
Boiler makers .....	.1123	.1719	.2848
Bricklayers .....	.1328	.2060	.5472
Carpenters .....	.1301	.2028	.3594
Compositors .....	.1411	.1795	.4487
Hod carriers .....	.0849	.1250	.2863
Iron moulders .....	.1140	.1787	.3036
General laborers .....	.0797	.1019	.1675
Machinists .....	.1310	.1677	.2707
Painters .....	.1194	.1774	.3450
Plumbers .....	.1148	.2027	.4429
Stone masons .....	.1328	.2078	.4579
Total wages per hour for 12 classes....	\$1.4166	\$2.0954	\$4.2071

It will thus be seen that in the case of Germany, taking the average of the twelve trades cited, one hour's work represents, approximately, 12 cents of earnings; in Great Britain, 17 1-2 cents, and in the United States, 35 cents. The British employer pays 46 per cent. more for labor than the German, and 191 per cent. less than the American. In the thirteen years from 1890 to 1903, wages rose on an average 21.8 per cent. in Germany, 11.9 per cent. in Great Britain, and 20.7 per cent. in the United States.

Those pessimists who are continually crying out about the increased cost of living in America and trying to show that the prosperity of the workingman is more apparent than real, might profitably study the report of the consul at Zittau, Saxony. Mr. Pike says that the worst form of German industrial misery exists in the district of the Erzgebirge, in the trimming, lace and flower trades. While up to 7 cents an hour may be earned in the trimming industry, a wage of 2½ cents an hour is considered high



Liverpool. So the price of wheat at Pembina and throughout the United States is fixed almost wholly in the American market and is practically independent of the Liverpool market. As to many other farm products we have long been thus independent. In concluding his consideration of this question Congressman McCleary says:

"And, sir, one of the prominent purposes of the protective tariff is to render our American farmers independent of the uncertain and fluctuating foreign markets, where they have to meet the competition of all the other countries of the world, and give them at home the best market on earth."

The question whether or not the price of American farm products is fixed in Liverpool has never been more logically considered or more ably answered than by Minnesota's member of the House Committee on Ways and Means. The answer is one that will appeal to every American farmer. It tells him precisely what the protective tariff on competitive imports of farm products does for him. It completely demolishes the free trade contention that the American farmer would be better off if there was no protective tariff.—From the "American Economist," Friday, June 8, 1906.

### Pauperism in the United Kingdom.

#### *England and Wales.*

The rise in the total number of paupers which took place in each of the three years 1901-1903 was followed by a much larger increase during 1904, the numbers relieved on January 1, 1905, being 7.3 per cent. greater than for the corresponding time in 1904. The average rate of increase in the previous three years was only 2.8 per cent. The mean number, including casual and insane paupers, receiving indoor relief in 1905 was 222,217, while 542,891 persons received outdoor relief. The total mean number relieved during 1905, including casual and insane, aggregated 884,365. In 1904 the number receiving indoor relief was 211,019, and the number of outdoor relief 511,441 (both these classes including casual and insane), while all classes relieved during 1904 (including casual) numbered 837,680.

The aggregate expenditure of poor relief and the rate per head of the population were higher in 1903-04 than in any previous year. The total expenditure for the year ending March 25, 1904, amounted to over thirteen and one-third million pounds (about \$65,000,000), each pauper accounting for nearly £16 (77.86) on the average, which amounted to 8s (\$1.95) per head of the population.

#### *Scotland.*

The total number of paupers of all classes in Scotland on May 15, 1904, was 105,624, an increase of 2,608 over the corresponding figure for the previous year. The number of indoor ordinary poor was 12,827, outdoor poor 78,413, lunatic poor 14,384; total poor, 105,624.

The total expenditure on poor relief in the year ending May 15, 1904, was £1,300,743 (\$6,329,415), equivalent to 5s. 7½d. (\$1.37) per head of the population, or £12 6s. 3½d. (\$59.92) per person relieved.

#### *Ireland.*

The daily average number of all persons in receipt of relief in Ireland for the year ending April 1, 1905, was 101,251, representing nearly 23 per 1,000 of the population. For the year ending March, 1904, the indoor relief included 43,561 persons, the outdoor 56,672, showing a total of 100,233 persons relieved. The number was slightly increased in 1905. The indoor poor numbered 43,586, the outdoor poor 57,665, the aggregate being 101,251 persons. The total expenditure of poor relief in Ireland in the year ending September 30, 1904, was £1,012,970 (\$4,929,112), giving £10 2s. 7¼d. (\$49.29) per person relieved, or 4s. 7¼d. (\$1.12) per head of the population.—Board of Trade Labor Gazette, December, 1905.

## RECIPROCITY.

In the McKinley law or tariff of 1890 provision was made for the negotiation of so-called reciprocity treaties with certain countries, particularly those south of us. These reciprocity treaties were entered into and carried out entirely upon a basis of non-competing products, and the result of such treaties proved largely advantageous to our exporting classes.

The law of 1894, known as the Gorman-Wilson Tariff, repealed the reciprocity features of the McKinley law, the Democratic platform of 1892 having denounced them and demanded their repeal, and most of the treaties which had been entered into under the reciprocity section of the McKinley law were soon abrogated.

The Dingley law again made provision for certain so-called reciprocity treaties, if such should be entered into within two years, but as that time expired before any treaties were ratified, there has been no reciprocity legislation except the so-called Cuban reciprocity treaty. The free-trade press, however, despairing of any immediate change in the tariff, have sought most vigorously during the past two or three years to foster a sentiment toward reciprocity treaties with other countries, and particularly with Canada. The American Free-Trade League frankly acknowledges that such reciprocity treaties would be a long step toward free trade, and has even said that reciprocity is free trade, and in this case Protectionists are quite willing for once to concede that free-traders are frank and honest.

The reciprocity, however, which is advocated to-day by free-traders looks to an exchange in natural products as well as manufactured products, and would have us open our market of 80,000,000 people to the products of Canada in exchange for that market of 6,000,000 people to such of our products as they may wish to buy.

The wage earners of the United States are more fully employed and much more highly remunerated than are the wage earners of Canada, giving us much greater comparative purchasing power, and a reciprocity treaty with that country in natural and competing products, even though the number of people were the same in both countries, would place us at a most decided disadvantage. When, therefore, it is considered that the purchasing power of the United States is fully twenty times that of the purchasing power of Canada, it will be seen what a decided advantage that country would have, and what a very one-sided arrangement would result. So it would be with other countries, and a single example will serve to illustrate the whole.

A treaty has been negotiated with France, but not ratified, providing for a twenty per cent. reduction upon certain lines of goods, among others of which we may mention hosiery and knit goods. The average tariff now upon these goods is fifty-five per cent., and a reduction of twenty per cent. would mean that our manufacturers must reduce their selling price by about eleven per cent. Such a reduction would necessitate a considerable lowering of wages, or a shutting up of our factories altogether. We have thirteen hundred such factories, employing seventy-five thousand people, earning on an average six hundred dollars a year each. The closing of these factories and the idleness of these employees would therefore reduce our purchasing power by fully \$45,000,000 annually, and this is but a small part of the price that we would have to pay for reciprocity with France in competing products,

As, however, the entire argument which has been promulgated by certain idealists is for reciprocity with Canada, it will suffice to give in this connection the statistics connected with our trade with that country. First, the following table is offered, showing the trade between the United States and Canada from 1852 to 1868, which includes the two years preceding and the two years following the operation of a former reciprocity treaty, which existed from September 11, 1854, to March 17, 1866:

Fiscal year.	Imports into United States. from Canada.	Exports from United States to Canada.
1852.....	\$5,469,445	\$10,229,608
1853.....	6,527,559	12,432,597
1854.....	8,784,412	24,073,408
1855.....	15,118,289	27,741,808
1856.....	21,276,614	29,025,349
1857.....	22,108,916	24,138,482
1858.....	15,784,836	23,604,526
1859.....	19,287,565	28,109,494
1860.....	23,572,796	22,695,928
1861.....	23,724,489	22,676,513
1862.....	18,511,025	20,573,070
1863.....	17,484,786	27,619,814
1864.....	29,608,736	26,574,624
1865.....	33,264,403	28,829,402
1866*.....	48,528,628	24,828,880
1867.....	25,044,005	21,020,302
1868.....	26,261,379	24,080,777

\*Nine months of year under reciprocity.

It will be seen that preceding this treaty we were selling the Canadians twice as much as we bought from them, while before the termination of the treaty the position was reversed, and they were selling us twice as much as we were selling them. That was the result of our previous experience in reciprocity with Canada. It will be instructive now in connection with the above table to examine the following figures showing our trade with Canada during the past few years. This table shows that we are now selling Canada a considerable more than twice what she is selling us, and that, too, without sacrificing any of our home market.

#### IMPORTS AND EXPORTS OF MERCHANDISE INTO AND FROM THE UNITED STATES AND CANADA.

Fiscal year.	Imports.	Exports.
1897.....	\$40,309,371	\$64,928,821
1898.....	31,870,486	83,714,086
1899.....	31,220,967	87,974,961
1900.....	39,369,074	95,319,970
1901.....	42,482,163	105,789,214
1902.....	48,076,124	109,642,993
1903.....	54,660,410	123,472,416
1904.....	51,552,791	131,234,985
1905.....	62,469,632	140,529,581

Canada has given a tariff preference to Great Britain first of 12 1-2 per cent., from 1897 to 1898, then of 25 per cent. to 1900, and of 33 1-3 per cent. since that time.

Great Britain has increased her sales to Canada since 1898 by about \$30,000,000. During the same time the United States has increased her sales by over \$75,000,000.



### Farmers and Reciprocity.

It is easy to understand that Canada would be glad to enter into a reciprocity agreement with the United States that should include natural products only. Equally obvious is the reason why she should decline to swap trade privileges in manufactured products. Her natural products seek a nearby market, and it would be tremendously to her advantage if she could sell her surplus in the United States instead of shipping it to Europe. But in industrial production she is only a beginner. She is trying to develop her manufacturing industries. In the event of free trade in natural products Canada would do all the selling and none of the buying, while free trade in manufactures would swamp every one of her youthful industries. The American farmer objects to reciprocity restricted to natural products only. With good reason he objects to having all of Canada's surplus of grain dumped on the American market. He knows that to remove the protective tariff from Canadian cereals would not only be disadvantageous to his interests now, but would in the near future help to build up a competition overwhelming in its magnitude.

Canada's grain-producing possibilities are practically unlimited. The total acreage of the lands in Manitoba and thence west to the Rockies, and running 600 or 700 miles north of the boundary line, is 2,230,000,000 acres. Of this about 25,000,000 acres are being utilized or have been transferred by the Crown to railways, for homesteads and other purposes of production. Of these 25,000,000 this year only 3,123,663 acres were under cultivation. The actual yield of grain of all kinds last year was 110,000,000 bushels, an increase of 10,000,000 over the year before. The wheat yield was 57,163,032 bushels, an increase of about 4,000,000.

As rapidly as immigration can be induced and lands placed under cultivation these countless millions of acres are to be added to the wheat-producing area of North America. It is the dream of Canada to become the great wheat-producing country of the world. Reciprocity in natural products would greatly hasten the realization of this dream. Already large numbers of farmers from the United States are moving over to the Canadian Northwest and locating upon lands within reach of railroad transportation. There will be more railroads, more accessible lands, more farmers rushing over to take and till them. This is what Canada wants. It is not, however, what the American farmer wants. He prefers to retain as long as possible the advantages which the present tariff gives him in the matter of a profitable market for his food stuffs. Hence his opposition to reciprocity in natural products.

Is it unreasonable or unnatural that another great body of American farmers should be unwilling to relinquish the advantages which the Dingley tariff gives them, and to surrender to foreign competitors the control of the immense market for their sugar cane, their sugar beets, their early fruits and vegetables, their oranges, lemons and pineapples, and their tobacco?

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The first official political platform of any American party was that on which Andrew Jackson stood in the campaign of 1832, wherein the Democrats made this declaration: "Resolved, That an adequate protection to American industry is indispensable to the prosperity of the country: and that an abandonment of the policy at this period would be attended with consequences ruinous to the best interests of the nation."

## TARIFF ON HIDES OF CATTLE.

From Speech of Hon. Henry T. Bannon, of Ohio.—House of Representatives, May 22, 1906.

Mr. Chairman: A great deal has been said in the House on the subject of the removal of the duty now imposed upon the hides of cattle both by the advocates of such removal and those opposing it. Those speaking on the subject so far have spoken largely in a general way, and inasmuch as I have collected some special figures and facts concerning this question, I take this occasion of presenting them, in the hope that I may be able to add something, at least to the information and knowledge desired both by the Members of the House and the country at large upon this important subject.

## The Cry for "Free Hides" Is Misleading.

The term "free hides" is misleading in itself, because the only raw hides which may be used in the manufacture of shoes, harness, saddlery, and other leather articles that are dutiable are the hides of cattle. Many other raw hides are used largely in the manufacture of shoes, such as horsehides and goat, sheep, kangaroo, and calf skins. These are now admitted free of duty. A calfskin is distinguished from cattle hide by its weight, all green salted weighing 25 pound or less and all dry weighing 12 pounds or less being designated as calfskins, and all over as cattle hides. Paragraph 437 of the Dingley law reads as follows:

"Hides of cattle, raw or uncured, whether dry, salted, or pickled, 15 per cent. ad valorem: *Provided*, That upon all leather exported, made from imported hides, there shall be allowed a drawback equal to the amount of duty paid on such hides."

It will thus be seen at the outset of this discussion that we do not have to deal with the question of free hides generally, but simply with the question of the raw hides of cattle.

The following table gives the imports of hides for the year ending with December, 1905:

Article.	Quantities.	Values.
	Pounds.	
Hides and skins, other than fur skins:		
Goatskins .....free..	102,940,811	\$28,506,937
Hides of cattle.....dut..	137,612,360	18,384,650
All other.....free..	141,587,241	26,505,831
Total .....	382,140,412	73,397,418

These statistics show that the total value of all hides and skins, other than fur skins, imported during the year ending December, 31, 1905, was \$73,397,418, and that the value of hides of cattle imported in 1905 was \$18,384,650, and, consequently, the value of hides imported free of duty for 1905 amounted to \$55,012,768, so that approximately in value three-fourths of the hides now imported are admitted free of duty.

The common impression prevailing is that all raw hides imported into this country bear a tariff of 15 per cent. ad valorem, and this impression has undoubtedly been created by the expression "free hides," so often used in discussing this subject and in the public press.

## History of Tariff on Hides.

The first tariff imposed on raw hides was in 1842, when a tariff of 5 per cent. was levied. This was reduced in 1857 to 4 per cent., but again raised in March, 1861, to 5 per cent. In December, 1861, this tariff on hides was again increased to 10 per cent., and remained at this figure until 1873, at which time the duty on hides was entirely removed and they were admitted free until the enactment of the Dingley bill in 1897, by the terms of which, as we have seen, the tariff upon certain hides was fixed at 15 per cent.

## The Tariff on Cattle Hides Not the Cause of High Price of Leather.

Some of the shoe manufacturers are now complaining of this duty, and inasmuch as they are objecting to it, the reason of their complaint must be found in the fact that the price of leather has been to some extent, in their opinion, increased by virtue of this tariff. The hides of cattle are the most valuable by-product of such animals, and if the price of hides is increased by virtue of this tariff, then, of course, the value of this important by-product of these animals has been affected by it.

In 1890 there were in the United States 52,801,907 head of cattle. In 1900 there were in the United States but 43,902,414 head of cattle. The reason of this decrease is readily accounted for by the fact that during the financial and industrial depression existing from 1893 to 1897 labor in this country was generally unemployed and was without the means to purchase largely of meat, which necessarily limited the demand for cattle, causing a consequent limiting of the supply. In 1905, after nine years of Republican administration (during which time the industries of this country have again been opened to our people, thereby creating a demand for the products from the farm, which was necessarily followed by an increase in the supply of cattle), we find that there are in this country 61,241,907 head of cattle; and if the tariff does increase the price of raw hides, then the value of each one of these head of cattle has been increased and the farmers of this country owning them have received the benefit.

The duty on hides not only adds value to the cattle owned by the farmers, but it also produces a large sum of revenue for the support of the General Government, the amount of the duties collected on such hides for the year 1905 being \$2,757,697.

### Amount of Tariff in Leather Made From Cattle Hides.

The method of computing the amount of the tariff on raw hides used in the manufacture of leather is as follows: One hundred pounds of dry hides will produce from 150 to 185 pounds of leather, and we can safely put it at an average of 175 pounds. At the present high prices of dry hides they are worth 20 cents per pound, and if the duty has increased the price 15 per cent. such increase would be 3 cents per pound, or for the 100 pounds the duty would amount to \$3. This quantity of raw hide will produce 175 pounds of leather, and the duty on this quantity will, of course, be \$3. If the duty on 175 pounds of leather is \$3, in 1 pound of leather it is 1 5-7 of a cent. At normal prices this small amount is greatly reduced. When we apply this to any particular pair of boots or shoes we find that the tariff represented therein must necessarily be very small indeed. Take, for instance, the shoes of women and children. They are not made from cattle hides, but the leather in the uppers is made from sheepskin, goatskin, and, occasionally, calfskin. The only portions of their shoes that contain any cattle hide whatever are the soles and heels, and inasmuch as the weight of these is very light, because such soles are quite thin, it will be seen that the duty represented in these soles and heels is not appreciable.

In all the higher grades of men's and boy's shoes worn in this country—and they are the ones now commonly worn—the leather in the soles and heels is also the only portion bearing any tariff, because of the uppers of this grade of shoes are made of kid, calf, kangaroo, or goat skins, or horse hides; and the way to determine the amount of the tariff in such shoes is simply to take the weight of the soles and heels and multiply that by the amount of 1 5-7 cents, and you have the result. It will readily be seen that it is so small it can not affect the retail price of shoes, because in no case does it exceed 2 cents per pair. The only boots and shoes made altogether from cattle hides are worn principally by the farmers, and in order to determine the amount of the tariff thereon multiply the weight of a pair of such boots or shoes by 1 5-7 cents. Even in this case the amount is too small to affect the retail price; but granting that it does, the farmer raises the cattle from



which the hides are taken, and when he sells them he gets the advantage of the increased price. The shoe known as "Little's brogan" is worn largely by the farmer. It is made from cattle hides, and the weight of a pair of these shoes is 3 pounds; so the tariff represented in them can not exceed 5 cents. Different grades of these shoes retail at \$1.50, \$1.75, and \$2 per pair. It is folly to argue that the removal of this tariff will result in these shoes being sold for \$1.45, \$1.70 and \$1.95 per pair to the wearer. Heavy boots are no longer worn to the extent that was formerly the case, and the better grade of the brogan has largely taken their place. I am informed by extensive dealers in such boots that where twenty-five cases were sold formerly but one is sold now.

The leather required to make a double set of farm harness is about 30 pounds. The duty in it approximates 50 cents. This will not affect the retail price, but if it does, who pays it? The farmer, and he is the one who sold the hides and received the benefit.

### **The Farmers Are Protected by This Duty.**

In 1902-3 the average net value of hides per head fluctuated between \$6.93 and \$5.79, so it will be safe to roughly estimate the average value of each hide at \$6, although to-day they are worth more. This would make the hides on the 61,241,907 cattle in this country worth \$367,051,442; and if removing the duty of 15 per cent. from these hides reduces the price to that extent, we find a loss to the farmers of this country of \$45,057,716.

Last year there were slaughtered in this country 12,500,000 head of cattle, and the hides of these animals were worth at least \$75,000,000. If 15 per cent. of the value of these hides is to be taken away from the farmer this means an annual loss to him of at least \$11,250,000.

Mr. Sims: Right in that connection, how can it have that effect? Unless all the hides are heavy hides, they can not be affected by free trade.

Mr. Bannon: I do not think the duty affects all hides; but the manufacturers who come here asking for the removal of the duty—and they are backed in their desires by the minority—claim that the 15 per cent. duty does affect all hides.

Mr. Sims: Because you make your calculation upon that is the reason I asked the question.

Mr. Bannon: I am taking their argument and trying to answer it. If the duty increases the value of hides, removing it will decrease their value.

The tanneries in this country are protected by the levying of a tariff on all tanned or finished leather imported into this country. The shoe manufacturers of America are protected by a tariff on foreign-made shoes. The manufacturers of harness and saddles receive the benefit of a protective tariff. So do the manufacturers of leather trunks and valises. These industries have grown wonderfully in America, the total production of leather manufactures having increased from \$109,734,643 in 1850 to \$615,720,395 in 1890, or about sixfold, our population during the same period of time having increased about three and one-quarter fold. The average number of wage-earners employed daily in 1900 in these industries was 251,920, to whom was paid during that year \$105,571,000 in wages. This magnificent showing is a result of the Republican policy of protection to the industries; and, having prospered as they have, complaint should not now be made by them because the American farmer, who is the greatest and best consumer of these products, likewise enjoys the benefit of a protective tariff upon the hides of the cattle raised by his labor, thrift, and economy. The Republican party enacted the law which afforded the protection to the farmer and its Representatives in Congress are entitled to their support. [Applause.]

There can be no question but that the farmer gets the benefit of this protection. Advocates of free raw cattle hides maintain that he does not get this benefit, but that the so-called "beef trust" does. Their contention gives little credit to the intelligence of the farmer. To come to this conclusion they are forced

to assume that the hides of cattle are such an unimportant by-product and of such little value that they are not taken into consideration in fixing the price of cattle.

Let us see about that. On September 13, 1905, Swift & Co. made a test of the cost, expense of handling, dressing, and selling an average lot of eighteen steers. These animals weighed 23,080 pounds, and cost, at \$3.60 per hundred weight, \$830.88. The hides taken from them weighed 1,288 pounds, and were sold for \$172.10. The value of the hides was equal to one-fifth of the cost of the cattle. This is almost invariably the case. The farmer knows that. He knows that the hide is one-fifth of the value of his animal; and if that hide is protected by a duty of 15 per cent. he gets the benefit. If that duty is removed, upon him must fall the loss, and there will be no resulting benefit to the retail buyer of shoes, harness, and other leather articles.

### Increase of Our Foreign Trade.

Our domestic trade in leather and leather goods has not only steadily increased, but our foreign trade as well. The following table shows the exports of boots and shoes since 1891, and that such exports are steadily increasing:

#### *Exports of Boots and Shoes.*

Year.	Pairs.	Value.
1905.....	5,315,699	\$8,057,697
1904.....	4,642,531	7,238,940
1903.....	4,197,566	6,665,017
1902.....	3,966,766	6,182,098
1901.....	3,494,041	5,526,290
1900.....	3,016,720	4,726,656
1899.....	1,934,277	2,711,385
1898.....	1,307,031	1,816,538
1897.....	1,224,484	1,708,224
1896.....	1,036,235	1,436,686
1895.....	822,412	1,010,228
1894.....	647,318	777,354
1893.....	493,027	590,754
1892.....	745,112	914,974
1891.....	551,735	651,343

Under the Wilson and McKinley bills, which left cattle hides on the free list, our exports of boots and shoes were in value, during the best year, less than one and three-quarter millions of dollars, while under the Dingley bill, with a tariff of 15 per cent ad valorem on such hides, our exports of these commodities have reached the annual value of more than \$8,000,000. Certainly this tariff has not hurt our foreign trade in boots and shoes.

Our exports of leather and its manufactures have also increased, as the following table will show:

#### *Exports of leather and manufactures of leather.*

1905.....	\$37,936,745.
1904.....	33,980,615.
1903.....	31,617,389.
1902.....	29,798,323.
1901.....	27,923,653.
1900.....	27,293,010.
1899.....	23,466,985.
1898.....	21,113,640.
1897.....	19,161,446.
1896.....	20,242,756.
1895.....	15,615,407.
1894.....	14,283,492.
1893.....	11,912,154.
1892.....	12,084,781.
1891.....	13,278,847.

That this duty has not injuriously affected these exports is shown by the fact that they have doubled in value under the protective tariff on cattle hides, having increased from \$19,000,000 in 1897 under free hides to almost \$38,000,000 in 1905 under protection to cattle hides. The increase for 1905 over 1904 will compare favorably with that of any successive years in both of these industries.

Those who are contending for the removal of the duty from the raw hides of cattle tell the manufacturer of leather goods that such action will give him increased profits on the output of

his factory. That is done to interest him in the project, and it usually has the desired effect. They can tell the wage-earner employed in the same factory that if this tariff is removed the price of the raw material necessary to make the finished product will be decreased and the result will be that he will get an increase in his wages. Naturally that interests him. But they do not stop there; they go to the retail dealer in leather goods and tell him that his profits as a retailer will be increased if the duty is removed from raw cattle hides. But that is not all. They take another step down the line, and they tell the consumer of these commodities that he will be able to buy them at a largely reduced price if this small duty is removed. I have shown you that this duty is so small that it can not appreciably affect the retail price of commodities that are manufactured from leather. Suppose it is 5 cents per pair on brogans, this small amount can not be given to the wage-earner and the manufacturer and the retail dealer and the consumer. If you give it to one of them manifestly you can not give it to the other three; and if it is to be divided among these four classes it becomes a matter so trivial that it is not worthy of consideration; it becomes absolutely nothing to them. The inconsistency of the position of these agitators on this subject is so apparent in this regard it is not worth while to continue the discussion of it further. [Loud applause on the Republican side.]

In 1900 there was invested in the manufacture of leather in this country \$173,977,421. The value of the product for the year was \$204,038,127. The sum of \$22,591,091 was paid for wages. In the same year there was invested in the boot and shoe industry \$101,795,233. The value of the product was \$261,028,580, and the amount of the wages paid was \$59,175,883. To get free raw cattle hides we must bring these industries and the men employed in them into competition with the industrial conditions prevailing in foreign countries.

The proposition is to compel our labor to compete with foreign labor inadequately paid and denied the equal opportunities enjoyed by the American mechanic. It is not the creed of the Republican party to do that, and this position of the Democratic party only furnishes an additional reason why districts in which there are industries engaged in manufacturing leather or the articles made therefrom should return Republican Representatives to the Sixtieth Congress. [Applause.] The policies of the Democratic party would destroy the protection thus afforded to the farmer, to the manufacturer of all articles made from leather, and to the tens of thousands of American wage-earners now employed in these industries. The policies of the Republican party will continue to protect them against the cheap labor of foreign countries and will maintain the prosperity now so generally enjoyed by our people. [Loud applause on the Republican side.]

From Speech of Hon. Francis E. Warren, United States Senate,  
June 27, 1906.

In considering this question of free hides from the standpoint of protectionism—and that, I frankly confess, is my standpoint—it is essential to inquire, first, Is the present reasonable duty on hides of benefit to the stock grower? Second, Do the farmers of the United States derive benefit from the retention of that duty? Both of these questions must be answered in the affirmative. It has already been shown that the value to the farmer of every beef hide he produces is increased by the tariff. It must then appear that this duty is valuable to the farmer and would be reluctantly relinquished by the farmer.

Mr. Gallinger: Mr. President—

The Vice-President: Does the Senator from Wyoming yield to the Senator from New Hampshire?

Mr. Warren: Certainly.

Mr. Gallinger: I am attracted by the remark the Senator has just made that the duty on hides benefits the farmer, the cattle raiser. I contended for a good many years that that was true, but there are people in my section of the country who insist that



the duty goes absolutely to the beef packers and to those who handle the cattle after they have left the ranges and the farms. If I understand the Senator correctly, speaking with expert knowledge, he says that the farmer does benefit because of that protection?

Mr. Warren: The stock raisers and farmers do benefit very directly by the duty on hides. I will call attention to one condition I know of which will answer that question. For a few years preceding the time when the duty was put upon hides cattle raisers in certain States in the interior, like, for instance, the State of Wyoming, could not get enough for cattle hides to pay the shipping expenses alone from the ranches to market, and business concerns in which I happened to have some interest at the time never shipped a hide for many, many months. The hides from cattle killed for home consumption were taken off and thrown away, because the freight to market amounted to more than the total sum we would receive for the hides. In fact, the junk piles around the ranches, and even the prairies, were strewn for a long season with these valueless hides.

Since that time the price of hides to the farmer has ranged all the way, net, from, perhaps, \$1 to \$8 apiece. I do not say that the entire increase is due to the duty. Some part of it is no doubt due to changes in business. But I do say when we had no duty hides in our country for a good space of time were worth absolutely nothing, and ever since the imposition of the tariff on hides they have been a valuable and quick asset.

### Permanency of Tariff Rests with the Farmer.

The permanency of protection as a national policy rests largely with the American farmer. When he arrives at the conviction that protection is being withheld from him in order that the profits of manufacturers may be swelled, then the end of protection will swiftly come.

Mr. President, our tariff laws when framed by protectionists have never been made to favor one State, one section of the country, or one industry. They never will be. We are all so interdependent that an injury to one industry or to one part of the country is an injury to all, and a benefit to one is a benefit to all. Under a universal protective tariff our freight cars are loaded going both ways—from East to West, from West to East; from North to South, from South to North. The farmer is prosperous, as is the manufacturer, and employee of both. A protective tariff is a compensating tariff and always must be, else it would not give protection at all, and unless it is given to all, it is given fully to none. Protection cannot be sectional and selfish. It must be general and adequate. Such protection is now in force under the operation of the present law. It is the most perfect law we have known. We shall, as a matter of course, have to revise it some time, but not to-day. We are too busy, too well employed, too well paid for our labor, too prosperous to think seriously of tariff revision in the year of our Lord 1906.

### Commerce of Cuba.

Consul-General Frank Steinhart, of Habana, furnishes the annexed statement, showing importations into and exportations from Cuba during the fiscal year 1904-5, by countries:

Countries.	Imports.	Exports.
United States .....	\$37,825,252	\$85,868,916
Spain .....	10,413,250	1,145,682
France .....	12,919,552	1,311,469
Germany .....	5,107,789	3,782,849
United Kingdom .....	12,500,184	6,189,802
Other countries of America.....	10,887,101	1,656,059
Other countries of Europe.....	2,594,231	626,702
All other countries .....	709,598	584,513
Total .....	\$92,957,057	\$101,165,992

## MASSACHUSETTS.

## Wonderful Progress of Her Industries and Prosperity of Her People Under the Operation of the Dingley Tariff.

In connection with the tendency in Massachusetts to ask for an immediate revision of the tariff and for a repeal of the duty on certain raw material it will be interesting to note what industrial progress that State has made under the operation of the Dingley Tariff law. The following is from the address of Gov. Curtis Guild to the Legislature of Massachusetts, Jan. 4, 1906:

We are met in no mean city. The real Boston is the Greater Boston that includes the homes as well as the workshops and counting houses of this community. It is a great metropolis—a greater metropolis than its own citizens perhaps appreciate. It should be developed as such.

The combined exports and imports of Boston are exceeded only by those of New York. This is the second seaport in the United States. It must not retrograde. Both exports and imports exceed those of last year. The total excess over last year of foreign commerce in the eleven months for which the figures are at hand shows a gain in these eleven months of nearly thirty millions of dollars. One-twentieth of the wealth of the United States, one-thirtieth of the population of the country, is within an hour's ride of this historic building. In this area are the homes of a larger population than in any equal area but one in the country. The capital of Massachusetts is the second center of population in the United States.

We have to legislate for no decadent Commonwealth.

Of all the States and Territories on this continent, only four contain a smaller area. Because of geographical limitation, as well as from a notable lack of mineral deposits, forests and rich arable soil, a slow rate of gain in material prosperity might logically be expected of Massachusetts, in comparison with many States possessing greater natural advantages. Yet, on the contrary, at the last taking of our national census it was found that Massachusetts, fifth from the foot in area, is seventh from the top in population, fifth from the top in the annual value of her manufactures, and third from the top in the annual amount paid in wages. Measured by assessed valuation of the property in her borders, Massachusetts is exceeded by but two States. Fifth from the foot in area, Massachusetts is third from the top in wealth.

Nor is this prosperity the dwindling legacy of earlier generations. The past year has seen huge additions to our industrial plants, notably to those producing manufactures of leather and of wool. Marked advances have taken place in the wages of those engaged in textile manufacture; and, as noted by my predecessor, statistics of abandoned farms no longer figure in our State papers. Measured by the value of farm products, Massachusetts is first among the New England States, and shows by a steady increase that attention is wisely given to the extension of the work of the farmers' institutes and of our Agricultural College.

Our Massachusetts census, just taken, tells a wonderful story. Immigration does not swarm to hopeless fields. In the decade between 1895 and 1905 Massachusetts added over half a million to her population. It is extraordinary that this great increase, which is, within less than fifty thousand, the same increase that was shown between 1885 and 1895, should have been possible in what was and is, with one exception, the most densely populated State in the Union.

It is more extraordinary that this half million of increase, largely immigrants, should be not merely vast in proportion to area, but, with four exceptions only, larger in actual numbers than the increase shown by any other State or Territory in the whole United States.

The annual value of the manufactured products of Massachusetts increased by but \$175,173,033 between 1885 and 1895. It increased by \$300,267,558 between 1895 and 1905. The total value of goods made in Massachusetts was \$1,150,074,860 in 1905.



The increase in the value of the annual product of cotton goods from 1885 to 1895 was \$32,190,463. From 1895 to 1905, in spite of southern competition, it was \$38,949,280. The increase in our wool and worsted products between 1885 and 1895 was \$7,400,533. Between 1895 and 1905 it was \$50,581,514. The increase in our shoe product between 1885 and 1895 was \$7,405,548. Between 1895 and 1905 it was \$70,271,966.

On October 31 the total amount on deposit in our savings banks was, in 1885, \$274,998,412; in 1895, \$439,269,861, and in 1905, \$662,808,312. The increase in the last decade was greater by over fifty-eight millions of dollars than in the decade that preceded it. In 1885 the average deposit for each person of population was \$141.64; in 1895, \$175.69; and in 1905, \$220.67. The gain in deposits per capita in the last decade was greater by nearly a third than the gain in the preceding decade.

### Wealth From Waste.

One aspect of the value of protection in building up home manufactures, rather than buying them in foreign countries at a cheaper rate, is seldom sufficiently considered. A removal of the duties on coal, iron ore, and wool is advocated in order to supply manufacturers with cheaper "raw material." But is it considered what enters into the production of this raw material? The consumption of air, water, grass, and herbage, which enters into the production of a sheep and its wool, could not be exported or otherwise utilized, and converting this otherwise waste into wealth is no small consideration.

And so, a country which packs its meat before shipment abroad, not only saves the loss of life which would take place on the way, and the cost of transportation to the bulky and more perishable material, but converts into use salt, sawdust, wood, ice, etc., which would otherwise not be utilized; and also the hair, bones, blood, etc., which are converted into other forms of wealth. Paper making gives value to rags, straw, wood, cornstalks, water, etc. And so different manufacturers employ bark, sumack, berries, clay, sand, and scores of other things which were otherwise waste. So, also, barren land, rocky hills, and other waste spaces are utilized. Besides the consumption of fuel, ores and forests which might be exported at a loss, the use of what is otherwise incapable of removal and utility, is the point kept in view. It is safe to say that more waste is thus converted into wealth in the United States than the value of all our imported goods. Shall we utilize this waste or not is a serious question for the free trader.

In 1850 Great Britain produced nearly all the food it consumed. This, probably, could be done now if the stress of foreign competition should be relieved by a protective tariff; but the experiment must be hazardous because at this time Great Britain is compelled to import 75 per cent. of the food needed by its people. Slowly, but continuously, under the glorious policy of free trade, the British farmer has had his business strangled, his property depreciated and his markets gorged by the products of foreign lands. In 1876 the British wheat crop was worth \$225,000,000; in 1901 it was worth but \$45,000,000. Within twenty years the area devoted to what we called green crops has decreased by a million acres. It is said that from 1872 to 1903, the shrinkage of the value of farm owners' property in Great Britain amounted to \$4,866,000,000; of farm operators' property, \$487,000,000; of farmers' profits, \$2,433,000,000. The loss to labor cannot be estimated.—North American.

A professional pauper is the inevitable product of a system which paralyzes or annihilates industry. It is said that of the 47,000,000 of people in the United Kingdoms, 8,000,000 are constantly on the verge of starvation, and at least 10,000,000 are not in condition that an American would consider comfortable. It will be remembered that only last winter a London paper declared that 20,000 people in that city were menaced by death from famine. A fine country, indeed, for Americans to turn to that they may learn lessons in economics!—North American.



## Republicanism and Protection.

From "The Republican Party."

The general impression in recent years has always been that the Morrill Tariff was a war measure. This point should be distinctly understood. The Morrill bill was introduced early in 1860, some time prior not only to the Presidential election of that year, but even to the nominating convention. It was framed and passed the House of Representatives by Republican votes, because the country needed such a measure to check importations of commodities and the exportation of gold; to restore confidence to the financial interests of the country; to build up our manufactures, and restore prosperity to the agricultural interests of the country.

Even though the slavery question, with the attendant Kansas crime, the John Brown raid, and the heated controversy over "The Impending Crisis," augmented by the provocation caused daily by the workings of the Fugitive Slave law, overshadowed all else, in spite of all these the Republican plurality framed this law and passed it through the House of Representatives. A great part of the credit of this work, from sub-committee to the final passage of the law, is due to Justin S. Morrill, a Representative from Vermont, and afterwards a most honored United States Senator.

The ad valorem features of the law of 1857 were to a large extent substituted by specific duties, and not only was the question of revenue fully considered, but it was intended to give a considerable, if not ample, protection to American labor and industry. There was no thought whatever of providing for war in the Morrill Tariff. There was no thought of doing anything except to correct the existing tariff, and credit must be given to the Republican Party, then having only a plurality in one branch of the National Legislature, for framing and presenting a law that was a purely protective measure.

It had not been done before, simply for the reason that there had been no opportunity. The National platform of 1856 contained no allusion whatever to the Tariff question, and while its leaders knew that the party would stand for a protective tariff at the first opportunity, still it was thought wise to devote its whole attention to the great paramount question of the day, the non-extension of slavery.

Perhaps the first adoption of a protective tariff plank in any Republican platform was that found in the resolution of the Vermont State convention, which met on July 13, 1854, in which the demand was made for "a tariff for revenue, with proper discrimination in favor of American industry." This, it will be seen, was adopted just one week after the date which we give as the formal birth of the party at Jackson, Mich. It is well to identify the Republican party with the great principles of a protective tariff from the start as second only to the one great purpose for which the party was formed. From the first its devotion and adherence, for the most part unqualified and uncompromising, have been given to the protection of American labor and industry. It was fitting that Mr. Morrill's name should be attached to the first Republican tariff law, even though it was signed by a Democratic President, when we find that the first allusion made to protection in any Republican platform was that given by the little Republican band in Vermont, the home of Mr. Morrill, only seven days after the party was born in the far West.

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If necessary for our welfare, then, of course, Congress must consider the question of changing the laws as a whole or changing any given rates of duty, but we must remember that whenever even a single schedule is considered some interests will appear to demand a change in almost every schedule in the law; and when it comes to upsetting the schedules generally the effect upon the business interests of the country would be ruinous.—President Roosevelt at Minneapolis, April 4, 1903.

## THE PRESIDENT AND ADMINISTRATION.

It would be supererogation to give in detail the work of President Roosevelt and his Cabinet during recent years. Not only the President, but each member of the Cabinet, and under them the force of each department, have attempted more and accomplished more in the way of practical service to the people than any previous administration. The people of the United States are familiar with the record, and only such work as will be of value as reference because of statements and statistics will be presented in any detail, and these in the briefest manner possible. There will be no idea of emphasizing the work of one department over another, only as the subject may be of especial present interest to the people.

The proceedings of the Department of Justice alone or in connection with the Department of Commerce and Labor, for instance, is of great interest to many who may not be especially interested in the equally important work of the State and Treasury departments.

The Panama Canal will in the immediate future be of absorbing interest. But no text book can add to the place occupied by the President in the esteem of the American people for the splendid work he has done both alone and aided by his Cabinet officers and Congress. Always with one idea uppermost, namely, the greatest good for the greatest number, with fairness for all, Theodore Roosevelt has since his succession to the Presidency, and since his election, been indefatigable in his efforts to give the people of every section and every class an administration that only growlers and croakers can criticise. His recommendations have been carried out by Congress to an unprecedented degree, and much remains for the second session of the Fifty-ninth Congress and the Sixtieth Congress, which should be in both branches Republican, in order that the desires of the President may be carried out to the full.

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## THE PANAMA CANAL.

With the acquisition of the Canal Zone strip, and the entering into, and ratification, of the necessary treaties between the United States and the Republic of Panama on February 26, 1904, it devolved upon the Administration to assume the stupendous task of constructing a ship canal between the Atlantic and Pacific oceans, capable of accommodating the largest vessels afloat, or that might reasonably be expected to be constructed.

To this end, and in accordance with an Act of Congress, the President appointed a Commission of seven members, to secure the active prosecution of the work of construction of the canal and its auxiliary works, and, in connection with such work, and in aid thereof, to organize and conduct a temporary Government of the Canal Zone, so as to maintain and protect the inhabitants thereof in the free enjoyment of their liberty, property and freedom.

The President directed that all the work of the Commission, by virtue of the power vested in him by the Act of Congress authorizing the construction of the Isthmian Canal, should be carried on under the supervision of the Secretary of War, William H. Taft.

Since its original appointment changes have been made in the personnel of the Commission, and in the instructions for its guidance.

### Organization.

The Commission as at present constituted consists of Hon. Theodore P. Shonts, as Chairman, and Hon. Charles E. Magoon, Mr. John F. Stevens, Civil Engineer Mordecai T. Ennis, U. S. N.; Brigadier-General Peter C. Hains, U. S. A. (ret.), Mr. Benjamin M. Harrod, C. E., as members.

Hon. Charles E. Magoon, in addition to his duties as of the Commission, is also Governor of the Canal Zone, John F. Stevens, in addition to his duties as a member of the Commission, is also Chief Engineer.

### Government of the Canal Zone.

It is gratifying to state that there has been developed in the Canal Zone a Government which has the confidence and respect not only of the inhabitants of the Zone, but also of the people and officials of the Republic of Panama.

Private and public rights have been recognized, and protected, and constant efforts have been made to show that the Government of the Zone is one of law, fixed and definite.

The Judicial System consists of the Supreme Court, of three Judges, and three Courts of First Instance in the three Judicial Districts into which the Zone is divided. Each member of the Supreme Court sits as a Judge in a Court of First Instance, and appeals are taken from his decrees to the Supreme Court *en banc*.

Law and order are maintained to a degree that would be remarkable under any conditions, and especially so when the character of the population of the Zone is considered, with its vast army of 27,000 employees gathered from all parts of the world. Serious crime is almost unknown, and arrests are mainly for petty offences and violations of the sanitary laws.

A complete postal service has been established throughout the entire Canal Zone, through which communications may be forwarded and received to and from all parts of the world, promptly and safely, and money orders may be purchased and cashed. Rates of postage, and for the purchase of postal money orders, are the same as in the United States.

A public school system has been established with schoolhouses and competent teachers throughout the Canal Zone.

Taxes have been honestly collected, and honestly expended.

### Practical Work of Canal Construction.

The work of canal construction divides itself properly into two parts, one of which must precede the other.

First: thorough preparation. This includes the creation of an effective organization; the sanitation of the Isthmus; providing suitable quarters and food for employees; constructing proper terminal, yard and railway track facilities and intermediate yards for the handling of the vast quantities of supplies and materials to enter into the construction of the Canal, as well as the vast quantity of excavated material from the prism of the Canal; the installation of a system of tracks through the cuts; the working out of all engineering problems, and the formulation of a comprehensive plan for carrying forward the work in each department.

Second, the actual construction of a given type of canal.

The administration of Canal affairs is now organized on business principles, and is efficient and effective.

Following an investigation by the Committee on Inter-oceanic Canals of the United States Senate, covering a period of six months, during which time every detail of the work, and every action of the officials in charge, was thoroughly investigated, that Committee in a majority report relating to type of canal stated:

"The work authorized by the Spooner Act has been initiated, and extensive preparations for a rapid prosecution of it have been made. The Canal Zone has been placed in a satisfactory sanitary condition, adequate shelter for the workmen has been provided, hospitals of a very large capacity have been made ready, as is evidenced by the opinions of experts who testified be-



are the Committee, and we are, fortunately, now in possession of a vast array of facts and figures affecting the prosecution of the undertaking that have not, until now, been available. This is due to the fact that the preparatory work has, for two years, been prosecuted with patient, intelligent judgment and earnest effort by those intrusted with the direction and supervision of the work."

In regard to sanitation: When the United States began this work there were on the Isthmus no systems of water works or of sewerage and drainage. Central reservoirs have now been established at five different points in the Canal Zone, and facilities have been created for the distribution of an adequate supply of potable water at all points.

A modern sewerage system for the City of Panama is nearing completion, and means for the sanitary disposition of garbage at other points have been provided.

As a necessary sanitary measure the paving of the streets of the City of Panama is nearing completion.

During the past year over 4,000 men have been employed in sanitary undertakings. A complete hospital system, which includes a large hospital at Ancon, and another at Colon, with a number of smaller hospitals at different points along the line, has been established. The management and service of the hospitals are on a par with the natural advantages and beauty of location, and are administered by a staff of doctors and nurses for which it would be difficult to find a superior anywhere. So effective has been the work that yellow fever, which has been considered endemic on the Isthmus, has been extirpated, and there has been no authentic case since November, 1905.

The mortality and hospital statistics bear striking witness to the success of the sanitary and hospital work.

During the month of April, 1906, with a force on the payrolls at the beginning of the month of 27,219 men, an average of 420 were constantly sick in hospital. This gives a sick rate of 15.42 per thousand. During the preceding month, with a force of over 25,000 men, an average of 491 were constantly sick in hospital, giving a rate of 19.65 per thousand.

The general health of the force during May, 1906, is shown by the fact that the sick in hospital averaged daily slightly under 15 per thousand.

The deaths among the white employees during May were less than 12 per thousand.

The work of properly housing employees has been brought to a successful conclusion, and ample quarters are now not only available for the existing force, but there is a reserve sufficient to accommodate several thousand additional laborers.

Suitable quarters for all American employees have also been provided.

This work involved either the repair of dilapidated buildings inherited from the French, or the new construction of a vast number of barracks and buildings.

Owing to the fact that the Isthmus of Panama has not produced more than sufficient food to meet its normal requirements, the bringing in of the vast number of laborers for work on the Canal brought the Government face to face with the problem of feeding its thousands of employees, with the base of supplies 2,000 miles away.

Local commissary stores have been established at all important labor camps, for the sale of necessary food-stuffs, and other essentials, to employees, practically at cost.

Mess kitchens have been created at the different labor camps where wholesome and nourishing meals may be obtained by such laborers at a cost of ten cents each, and at this price a small marginal balance in favor of the Commission is left.

Large mess houses or hotels are maintained at many different points along the line where nourishing meals are served in clean surroundings, at a cost to the American employees of 30 cents each.

Refrigerator cars of the most improved type have been placed in operation on the line of the Panama Railroad. A cold-storage plant has been established and placed in successful operation at Colon, and refrigerating plants have been installed on the steamers of the Panama Railroad, operating between New York and

Colon. A line of refrigeration has, therefore, been established between all points in the United States and the various districts within the Canal Zone, thus placing within the reach of all classes of employees perishable and other food-stuffs of the character to be found in the United States.

### The Working Force on the Isthmus.

The working force of the Isthmian Canal Commission as of date April 1 was distributed broadly among the different departments, as follows:

Government and sanitation.....	2,845
Materials and supplies.....	1,670
Auditing and disbursing .....	90
Engineering and construction:	
Administration (including care of quarters).....	460
Municipal engineering (in charge of construction of water supply, sewerage, roads, etc.).....	3,295
Master builder (in charge of construction and repair of houses and quarters) .....	2,946
Motive power, shops, etc.....	1,521
Culebra Division, Canal.....	3,103
La Boca Division, Canal.....	384
Cristobal Division, Canal.....	433
Chagres Division, Canal.....	134

The mere laborers and workmen are in the main negroes recruited from the West Indies and other nearby countries, although recently a small number of natives of the North of Spain have been brought in for work of this character, and having proven satisfactory it is contemplated to increase the number of laborers of this class.

All employees of a higher grade, such as Foremen, Superintendents, and Supervisors, the clerical staff, and all employments in the mechanical and building trades, are filled by Americans. There are at this time on the Isthmus in the service of the Canal Commission and of the Panama Railroad, approximately 3,500 Americans.

The salaries paid are from 20 to 25 per cent. higher than for similar employments in the United States, and, in addition, all employees are allowed free quarters and free hospital and medical attendance.

Appropriate places of worship have been provided for the employees, and the Commission has authorized the construction of buildings for club purposes at various centers, to be operated subject to rules and regulations to be approved by the Commission. Means for providing suitable recreation for the employees, aside from properly caring for their physical needs, is receiving earnest attention.

The headquarters of the various departments, and their clerical staffs, are being rapidly transferred from the City of Panama to more sanitary and healthful points along the line, and nearer to the work.

A sufficient number of quarters and buildings will be completed so that the entire force will be transferred under this policy by October 1st.

Employees are permitted to take their families to the Isthmus as fast as the Building Department can construct adequate quarters for them, which are furnished free. The Government further encourages this in extending a very much reduced rate of transportation to them.

All appointments to the positions of clerk (of all kinds), book-keeper, stenographer and typewriter, surgeon, physician, interne, trained nurse, and draughtsmen, are filled through competitive Civil Service examinations conducted by the United States Civil Service Commission.

Persons to fill employments in outdoor railroad positions, and employments in the building and mechanical trades, are selected strictly upon merit, based upon age, experience, and physical condition, by duly designated officers representing the Canal Commission.

## Fiscal Affairs.

All moneys appropriated by Congress for Canal purposes have been honestly expended and properly accounted for, under an efficient and effective system of audits and checks.

Amounts appropriated, receipts from miscellaneous sources, disbursements, and the financial status of the affairs relating to the Panama Canal from the date of acquisition by the American Government to and including June 30, 1906, are completely set forth in the following table:

**Statement of Receipts and Disbursements by the Isthmian Canal Commission to May 31, 1906.**

. RECEIPTS.

Appropriations by Congress:

For purchase of Canal rights, June 28, 1902.....	\$40,000,000.00	
For purchase of Canal Zone, June 28, 1902, and April 28, 1904 .....	10,000,000.00	
For construction of Canal, June 28, 1902.....	10,000,000.00	
For construction of Canal, Dec. 21, 1905.....	11,000,000.00	
For construction of Canal, Feb. 27, 1906.....	5,990,786.00	
		<b>\$76,990,786.00</b>

Revenues of the Canal Zone:

Postal revenues .....	\$27,322.14	
Internal revenues .....	16,585.21	
Court fees and fines.....	2,495.25	
Police fines .....	726.05	
Customs fines and penalties.....	450.00	
Miscellaneous .....	1,049.65	
		<b>48,628.30</b>

Miscellaneous receipts of United States funds:

Sales of Isthmian Canal property.....	\$284,128.11	
Rentals of Isthmian Canal property.....	141,878.35	
Labor furnished .....	53,432.80	
Telegraph and telephone service.....	1,307.88	
Receipts from operation of hotels and mess kitchens .....	232,507.04	
Miscellaneous .....	7,790.49	
		<b>721,044.67</b>

Total receipts from all sources.....	<b>\$77,760,458.97</b>
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DISBURSEMENTS.

For rights-of-way, franchises, property and Panama Railroad stock purchased from the New Panama Canal Co.....	\$40,000,000.00
For Panama Railroad stock purchased from other holders.....	157,118.24
For territorial rights in the Canal Zone.....	10,000,000.00
For material and supplies, except such as have been issued by the Division of Material and Supplies, and charged to ex- penditures account to March 31, 1906.....	4,728,177.77
For purchase of land from private holders.....	55,114.96
For public works and permanent improvements.....	1,023,445.14
For permanent plant, including rolling-stock, excavating ma- chinery, floating equipment, buildings, tracks, etc.....	5,900,925.76
For general administration .....	851,855.10
For the government of the Canal Zone, including sanitation, hospitals and asylums, police and fire protection.....	2,462,594.96
For administration in the Department of Construction and En- gineering .....	441,541.02
For Canal construction .....	4,328,087.60
Amount advanced to Panama Railroad Co., on account of in- debtedness for supplies and services.....	1,590,271.65
Expended for account of individuals and companies, to be repaid to the Isthmian Canal Commission and deposited in the United States Treasury as miscellaneous receipts.....	204,622.35
Total disbursements .....	<b>\$71,743,754.49</b>

**Material and Supplies.**

All purchases of materials and supplies entering into the construction of the Canal are made after due public advertisement in newspapers of general circulation, from the lowest responsible bidders; bids to include cost of delivery on the Isthmus. Bids are, therefore, made up of the original selling price at place of manufacture or production, plus the cost of transportation to the Isthmus. The object of this is to place all sections of the country, and all ports, on an equal footing in the furnishing of the vast amount of materials and supplies necessary for Canal purposes.

On June 25, 1906, Congress passed the following law relative to the purchase of material and equipment for use in the construction of the Canal:



Joint Resolution providing for the purchase of material and equipment for use in the construction of the Panama Canal:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That purchases of material and equipment for use in the construction of the Panama Canal shall be restricted to articles of domestic production and manufacture, from the lowest responsible bidder, unless the President shall, in any case, deem the bids or tenders therefor to be extortionate or unreasonable."

Approved June 25, 1906.

An up-to-date system of receiving, caring for, and distributing materials and supplies is now in effect on the Isthmus, a General Storehouse having been established at the Atlantic end of the Canal, with division storehouses at various points, each carrying the character of supplies needed at such point. Inventories are taken at regular intervals, and a careful record kept at all times of the material and supplies on hand.

Invoices for materials are being promptly checked on arrival of the material on the Isthmus, and they are being promptly certified and returned to the United States for payment.

Requisitions for supplies made on the Purchasing Division in the United States are being filled as promptly as the demand for materials here will permit.

### Type of Canal.

During the progress of the important work of preparation as already set forth, and as a necessary collateral feature of the work of installation of plant and the creation of an organization, much work of actual Canal construction has been accomplished. This work, however, prior to the action of Congress on June 29, 1906, at which time the type of Canal was specifically and definitely fixed by law, was of a character applicable to any type of Canal which might be ultimately decided upon.

Another of the chief benefits was the accumulation of knowledge as to the nature of the material to be handled, and the cost of handling it, which served a useful purpose in reaching a determination as to type of Canal, and which will also serve as a basis to determine what fair contract prices would be if it should be considered desirable to have the work done by contract.

As an evidence of the volume of work accomplished in actual Canal construction; during the month of March, without making any special effort, but following the general policy of concentrating upon the first division of the work, i. e., that of preparation, 240,000 cubic yards of material were removed from Culebra Cut, with an average of 10.7 steam shovels working. The actual cost for material handled, figuring in contractor's expenses, was 53½ cents a cubic yard.

The "Spooner Act," approved June 28, 1906, authorizing the President, through the Isthmian Canal Commission, "to cause to be excavated, constructed, and completed, utilizing to that end as far as practicable the work heretofore done by the New Panama Canal Company of France, and its predecessor company, a ship Canal from the Caribbean Sea to the Pacific Ocean," not only gave him authority to fix the type of the Canal which is to be constructed, but unquestionably when that Act was passed it was the intention of Congress that a Lock Canal should be constructed.

It was deemed best, however, that a Board of Consulting Engineers, composed of the most eminent men of that profession, be called in session for the purpose of considering the various plans proposed to and by the Isthmian Canal Commission for the construction of a Canal across the Isthmus of Panama.

The reports of this Board, and the reports of the Isthmian Canal Commission, with the recommendation of the Secretary of War, were submitted to Congress by the President, advocating the construction of the type of Canal which it is believed the people of this country want—that is, the one which will provide adequate and safe passage for the largest vessels now on the seas or which can be reasonably anticipated, and which can be constructed in the quickest time and at the least cost.

Following an exhaustive investigation of the various types of Canal, both houses of Congress concurred in the recommendation of the President for the construction of an 85-foot level Lock Canal, for the reason that:

First, it can be completed for about half the cost, and in about half the time, of the so-called sea-level canal;

Second, because it will be adequate for all the commerce which can reasonably be expected to seek that route during the next hundred and fifty years;

Third, because if the tonnage should increase beyond such expectation, it can be enlarged more cheaply and more quickly than the so-called sea-level canal;

Fourth, because from the operating point of view, large ships can be put through more safely and more quickly than through the sea-level;

Fifth, because, when the interest on the difference in the estimated cost of construction is added to the estimated cost of operation, the saving to the Government every year will be \$2,340,000;

Sixth, because, when built, it will be a completed canal—completed in every appointment, for all requirements for generations to come.

## WHAT HAS BEEN DONE IN THE PHILIPPINES.

### Conditions as to Peace and Order.

Peace now prevails in the Philippine Islands to a greater extent than ever before in their history. True, there have been disturbances in Cavite, Batangas, Samar and the Moro Province, but none of these had for its object the expulsion of the sovereignty of the United States from the archipelago. Cavite has ever been the hotbed of ladronism, or gang-robbery, as it is known in the Federated Malay States; but as stated by the Hon. F. A. Swettenham, British resident of the Federated Malay States, "this is a condition peculiar to, and chronic in, all Malay communities, and can not be charged to the Government."

The Mount Dajo affair was the culminating incident of six months of peaceful effort to induce a band of Malay pirates to desist from their raids upon a peaceful community. These efforts were interpreted as cowardice, and the outlaws finally sent a challenge to the government forces to come out and fight them. In the encounter that followed the troops were assisted by the respectable Moro element of the island where the disturbance occurred.

The disturbances have been overcome, and it can truly be said that save for the occasional raids of religious fanatics, the archipelago enjoys greater and a more general peace than at any time since its discovery.

### Railroads.

The conditions in the Philippines with respect to railroads have been deplorable. Until 1892 there was no commercial railroad in the Islands. The first duty, therefore, of the government of the United States in the development of the Islands and in the uplifting of their people, after order was restored and a government established, was the construction of railroads.

In February, 1905, Congress passed an act which authorized the Philippine Government to aid the construction of railroads by guaranteeing interest not exceeding four per cent. for thirty years on railroad bonds, the proceeds of which were to be used to build railroads under franchises to be granted by the Philippine Government. Two hundred and five miles of railroad in the Island of Luzon were then either under operation or nearing completion. There was no railway in any of the other Islands.

Upon the completion of the lines under two concessions, there will be in operation in the Islands 920 miles of road, of which about 800 will have been constructed under the auspices of the American Government. No step more important has been taken in the development of the Islands.

### Wagon-Road Building.

During 1904, 252 miles of new roads were constructed and 1,662 miles of roads repaired, and during 1905 there were constructed 115 miles of new roads and 992 miles of road repaired; also during 1904 there were 582 bridges and culverts constructed and 496 repaired. In 1894, \$1,623,023.35 were expended for this purpose, and in 1905, \$1,596,718.10. This will give an idea of the attention given this work. Surveys have been made and there is now under way of construction 543 miles of roadway with an estimated cost of \$2,301,420. With the exception of the Benguet road these roads have been built for the purpose of opening up the agricultural resources of the islands and make it easier for the inhabitants to bring their produce to the markets. The Benguet road was completed and opened in March, 1905. Benguet is about 5,000 feet above sea level, which makes it an excellent location for a sanitarium and summer headquarters and avoids the necessity of sending patients to Japan or the United States with the accompanying delay and expense incident thereto. At the same time it opens up a fertile country which is being rapidly built up under the impetus of good transportation facilities.

### Port Works.

During the fiscal year 1904 contracts were let by the Commission involving about \$500,000 for the improvement of the port of Cebu, and about \$250,000 for the port of Iloilo, while the port works of Manila were then being continued under appropriations already made. During the fiscal year 1905, \$610,760 were appropriated for Cebu and \$241,500 for Iloilo. Contracts have been made for these works, and work has already begun at both places. That in Iloilo is about 25 per cent completed.

During the fiscal year 1905, \$1,723,000 were appropriated for the port of Manila and expended upon the improvements.

### Public Health.

The quarantine work of the Philippine Islands is performed by the Public Health and Marine Hospital service of the United States Treasury Department, but the entire expense of the service is charged to the insular treasury. The results of the quarantine service for the past two years indicate a great improvement in the health of the Islands. Only one case of plague was detected on an interisland vessel during the fiscal year 1905. During the fiscal year 1905, 1,064,192 persons, or more than one-eighth of the entire population, were vaccinated. Small-pox has almost entirely disappeared. There were only 39 cases and 12 deaths in Manila during the year 1905. There were only half as many cases of bubonic plague in the islands this year as last. An insane hospital and a leper colony have been established. Cholera reappeared during 1905 and was successfully stamped out shortly after making its appearance. An educational campaign is being carried on among the people to teach them how to combat this disease, and good results are being shown from it. The people now co-operate with the authorities, and as a result the disease makes little or no headway. This is in pleasant contrast to the epidemic of 1902, when many of the natives believed that the authorities were poisoning them, and that there was no cholera at all. Speaking conservatively, it must be said that the general health of the Islands was never at any time better than at present, and the present organization is certainly calculated to keep up this high standard.

### Civil Service.

In 1904 there were 3,228 American officers and employees in the Philippine civil service, and 3,377 Filipinos; in 1905 the Americans numbered 3,307 and the Filipinos 4,023. During the fiscal year 1905 the number of applicants entering examinations in Manila and in the provinces was 8,232 as against 5,911 for the



previous year. The number of Filipinos entering and passing examinations conducted in the English language has steadily increased since the organization of the board. During the past twelve months, however, there was a much greater increase than during any previous year. Of the 4,185 applicants entering examinations in English during the year 1905, 2,917, or 70 per cent., were Filipinos; while of the 2,443 entering English examinations during the previous year, 1,063, or 44 per cent, were Filipinos. Of these, 22 per cent. passed in 1904 and 27 per cent. in 1905. The chairman of the civil service board, speaking of this point, says:

"It may be stated that the needs of the service for appointees having the knowledge called for by the second- and third-grade English and the Filipino teacher examinations are now being fully met by the number of Filipinos who qualify in these examinations."

### Friar Lands.

The "Friar Lands" problem, one of the most fruitful sources of unrest in the whole Philippine situation, has finally been disposed of by purchasing some 410,000 acres of land at about \$7,000,000. The Governor-General in his report for the year 1904 says:

"Whether any ultimate loss will be incurred in these large transactions can only be a matter of conjecture, but, however this may be, it must be a subject of real congratulation that what had threatened to become a cancerous sore on the body politic has been extirpated."

### Currency.

A new currency has been established in the Philippine Islands under authority of the Act of Congress dated March 2, 1902, entitled "An Act to establish a standard of value and to provide for a coinage system in the Philippine Islands." This new system in effect established in the Islands the gold standard with a silver circulating medium, and has practically taken the place of the old and fluctuating Mexican, Spanish-Filipino, Chinese and other foreign coins previously circulating in the Islands. The old currency has already been eliminated from circulation. The people, notwithstanding their early misgivings, now transact all their business in the new currency and generally perceive the beneficial results derived from a stable currency as compared with one generally fluctuating with the rise and fall of silver bullion.

### Banking.

Of no less importance to the development of the Philippine Islands than the establishment of a stable currency was that of establishing banking facilities in the Islands. Heretofore the inhabitants of the Islands away from Manila have had no place in which they could secure their savings and no place from which they could borrow, on reasonable terms, money necessary in their agricultural or other industries.

The current rate of interest in the Islands on loans to farmers varies from one to ten per cent. per month, and there was absolutely no place in which money could be deposited with safety.

To meet these conditions the Philippine Commission has established as a part of the postal service of the Islands a postal savings bank. This will immediately enable persons to deposit with the government small sums of money on which they will receive interest of 2 1-2 per cent., to be increased later if the operation of the postal savings bank shows that it can be successfully done without loss to the government.

To meet the second necessity, that of enabling the agriculturists to borrow money at a reasonable rate of interest, the Philippine Commission has caused the various agricultural banking systems of the world to be investigated and has recommended to Congress the passage of the act which authorizes the Philippine Government to establish an agricultural bank with headquarters at Manila and branches throughout the Islands, from which, at a

rate fixed by the government, farmers may borrow money, at a reasonable rate of interest, on their land and other security approved by the government. As it is impossible without some guaranty to induce private capital to invest in such bank the Philippine Government has requested Congress to authorize it to guarantee four per cent. interest on capital invested in such bank. This is the so-called Agricultural Bank Bill which is referred to under the headings of "The Philippines" and "The Fifty-ninth Congress."

### Industrial Conditions.

Notwithstanding the disturbances in the provinces of Cavite, Batangas, and Samar, and in the Moro Province, already referred to, there is now more land under cultivation than at any time since the year 1896.

Slowly but surely the ravages of war and pestilence are being repaired, and the material condition of the people improved. As evidence of this it is pertinent to state that exports, exclusive of currency, during the fiscal year 1904 amounted to \$30,226,127, and for the fiscal year 1905 to \$32,355,865, an increase of \$2,139,738. This is a creditable showing, especially when it is remembered that there was considerable disturbance in Cavite, Batangas and Samar, where hemp, sugar and copra are produced on a considerable scale.

The imports for the fiscal year 1905 were \$30,879,048, as compared with \$33,221,251 for the preceding year, a net decrease of \$2,342,203. Upon investigation, however, it is disclosed that this decrease is entirely due to the falling off in the importations of rice, which is the principal article of food of the people of the Islands. It is significant that in the fiscal year 1904 there were imported into these Islands 727,124,332 piculs of rice, valued at \$11,548,814, and for the fiscal year 1905 only 563,285,346 piculs, valued at \$7,456,738. In other words, more than \$4,000,000 less was sent out of the Islands last year for rice than during the preceding year. This simple statement tells its own story. More land is sown in rice this year than last, and crop prospects are unusually good.

The Secretary of the Interior for the Philippine Islands says in his report for the fiscal year 1905:

"The use of modern farm machinery upon the Government rice farm at Murcia has attracted wide attention, and many hundreds of persons have gone there to see the steam-plow and thrasher, the reapers, and other machines in operation. These exhibitions have resulted in the placing of large orders for farm machinery in America." (P. I. Report for 1905, part 2, page 49.)

### Philippine Assembly.

On September 11, 1902, the Philippine Commission certified to the President that the insurrection in the Philippine Islands had ceased and a condition of general and complete peace had been established therein, and on September 25, 1902, the President ordered that a census of the Philippine Islands be taken.

Accordingly said census was taken at a cost of \$636,931.32. This is the first census which has been taken in the Philippine Islands.

A proclamation was issued by the Governor-General of the Philippine Islands, and the Philippine Commission is at present considering the details of an act governing the election of members of the first Philippine Assembly, and allotting the number of delegates to the various provinces. This Assembly will, in all probability, have its first session in the coming year.

### Education.

The spread of education throughout the Philippines is truly marvelous. Practically no change has been made in the original organization of the educational system in the Islands, none having been proven necessary. There have been a few minor changes tending towards a higher degree of perfection from time to time such as experience demonstrates to be desirable. But the swarm of students that have swept down upon the Department have

completely overtaxed its possibilities. Of this the Director of Education in his report for the fiscal year 1905 says:

"This enormous increase taxed the Bureau of Education beyond its powers and it became evident that, with the number of American and native teachers available, it was practically impossible to give proper instruction to any such number of students. In consequence, at the opening of the present school year (1906) division superintendents were instructed to limit the enrollment, as far as possible, to one-third of the school population of their respective divisions."

At the close of the school year 1905 there was a total enrollment of 514,631 students. At the opening of the school year in July, 1904, there was an enrollment of 251,475 students; this shows an increase during one school year of 263,156 students. These figures tell their own story. The average attendance for the fiscal year 1905 was 311,843.

There were actually employed on November 1, 1905, 792 permanent American teachers and 63 temporary; this makes a total of 855 American teachers. At that time there were 861 positions provided for by law for American teachers, and since then the bureau has appointed 81 American teachers from the United States, so it is safe to assume that at the present time there are 850 or more American teachers in the Philippines. On the same date there were 4,036 Filipino teachers, of whom 2,820 were men and 1,216 women. About 365 of these were teachers under the Spanish Government—that is to say, about 10 per cent. of the teaching force under the American Government.

Speaking of the Filipino teacher the Superintendent of Education says:

"The success of the school system in the Philippines rests ultimately upon the success of the Filipino teacher, but the question of his competency is no longer in doubt."

And finally, in closing his report:

"The people have shown a disposition to give willingly of their time and money to these ends, but the fact remains that the regular revenues of the Bureau of Education are altogether inadequate to decently and permanently house the public schools of the islands."

### The Philippines and the Fifty-ninth Congress.

At the end of its report for the year 1905 the Philippine Commission summarized the recommendations which it felt should be urged before Congress, and to carry out which required Congressional action. The two most important of these recommendations were the following:

First—Legislation which shall reduce the duties on sugar and tobacco exported from the Philippine Islands into the United States to not more than 25 per cent. of the present rates fixed by what is known as the Dingley tariff law; and,

Second—That sections 1 and 2 of the Act of Congress approved April 15, 1904, entitled "An Act to regulate shipping in trade between ports of the United States and ports or places in the Philippine Archipelago, and for other purposes," be repealed, or at least that the operation of said sections be suspended until July 1, 1909.

These two measures were taken up at the opening of the session of Congress, and an act intended to accomplish the first purpose was among the first introduced in the House of Representatives, being H. R. No. 3. It passed the House quite promptly on January 16, 1906. It is still in the hands of the Committee on the Philippines in the Senate, and it is expected that favorable action will be taken at the next session.

With reference to the second proposition, an act to regulate shipping, this item was at first embodied in the so-called Ship Subsidy Bill, which passed the Senate early in the session. For fear that the Ship Subsidy Bill would not be acted upon by the House, which in fact proved to be the case, it was introduced as a separate bill and passed both Houses, and was approved April 30, 1906. It postpones until April 11, 1909, the extension of practically the coastwise laws of the United States to voyages between the United States and the Philippine Islands.

Next in importance was the necessity for amendment of the Philippine coinage bill, and the one authorizing the establishment of an agricultural bank in the Philippine Islands. The



Philippine coinage bill passed both houses very promptly on its introduction and was approved by the President. It authorizes the Philippine Commission, with the approval of the United States, to reduce the weight and fineness of the Philippine silver coins. This was rendered necessary by the increase in value of silver which had made the intrinsic value of the Philippine peso above its face value as currency. It also authorizes the Philippine Government to use as reserve against which to issue currency gold coin of the United States. This was necessary in order to give elasticity to the currency issue of the Philippine Islands, which must otherwise wait on the coinage of silver, as the law to which this was an amendment provided that only Philippine silver coin could be used as such reserve.

The bill authorizing the establishment of an agricultural bank in the Philippine Islands was not passed, although introduced in both Houses. It was introduced so late in the session that it was necessarily crowded out by more important legislation affecting the whole of the United States. There is every reason to believe that this legislation will be promptly acted upon by the next session of Congress.

In addition to those matters which were specifically recommended in the report of the Philippine Commission, a bill was introduced providing for the loan to the Philippine Government of a naval vessel for use of the Nautical School in the Islands. This bill was passed and approved by the President; a bill was introduced providing for the distribution of public documents to the library of the Philippine Government at Manila. This bill passed the House of Representatives promptly, but too late to be considered by the Senate; a bill was submitted providing for an amendment to section 2844 of the Revised Statutes of the United States—this in order to prevent the anomaly of American shippers of goods from the Philippine Islands to the United States having to authenticate their invoices before a foreign consul. The amendment authorizes such invoices to be authenticated before a collector or a deputy collector of customs of the Islands. This bill passed both Houses and was approved June 28, 1906.

Another bill was passed authorizing the Secretary of War to purchase the coal claims of certain Spaniards on the Island of Batan, Philippine Islands. This bill passed and was approved February 26, 1906. A further bill authorizing the Secretary of War to lease to the highest bidder these coal mines, including in the conditions of the lease a provision that the contractor should furnish at a low and definitely determined price coal desired by the United States or Philippine governments, was introduced, but did not pass. This was due to the fact that the matter came up for consideration too late in the session.

Careful analysis of the results of the legislation shows that a great deal was accomplished.

The legislation as to shipping and coinage was all that was desired. The failure of the agricultural bank bill, and some of the minor bills, is wholly due, it is thought, to the great number of very important measures considered by this Congress referring to the whole of the United States.

## NONCONTIGUOUS POSSESSIONS OF THE UNITED STATES.

### Dates of Acquisition and Organization, and Population and Area.

Possession.	Date of acquisition.	Date of organization.	Population		Area (square miles).
			Year.	Number.	
Alaska .....	June 20, 1867	(District) July 27, 1868*	1900	63,592	590,884
Guam .....	Apr. 11, 1899	.....	1900	†9,000	†150
Hawaii .....	July 7, 1898	June 14, 1900.....	{ 1900	154,001	6,499
			{ †1904	184,000	
Philippine Islands ...	Apr. 11, 1899	.....	{ 1903	7,635,426	115,026
			{ †1904	8,000,000	
Porto Rico..	Apr. 11, 1899	May 1, 1900.....	{ 1889	953,243	3,606
			{ †1904	1,000,000	
Tutuila .....	Mar. 8, 1900	.....	1902	3,750	54

\*Civil government established May 17, 1884.

†Estimated.

‡Estimated by Actuary of the Treasury for June 30.

## CAMPAIGN ISSUES ANALYZED.

Speech of Hon. J. G. Cannon at Danville, Ill., August 16, 1906.

Mr. Chairman and Gentlemen of the Convention: I thank you for this expression of confidence and I congratulate you on the prosperous condition of the country under Republican administration. The Republican Party has followed the teachings in the parable of the wise servant, who returned to his master the talent entrusted to his care multiplied ten-fold. Clothed with responsibility for the administration of the Government of 80,000,000 people, we have sought to make a return that will benefit those who entrusted the talent to our care. We have succeeded in making two blades of grass grow luxuriantly under Republican administration, where one grew feebly before under the Democratic administration.

Since the election of William McKinley as President, the business of the country has doubled, and the material interests of all the people have become better than ever before in our history; aye, better than the condition of any people anywhere on earth in any time since history began. This is under the policies of the Republican Party as enacted into law by Congress and executed by the President. Attribute this condition to what cause you may, speculate about it as you will, call it confidence in men or measures, the fact remains that it exists and that there never has been recorded anywhere such industrial development and such a wave of prosperity as has swept over the United States in the last decade.

Under the administration of the Dingley tariff law there has been a greater development in all forms of industry than has ever been reached under any other revenue law since the Government was organized. The schedules of the law are not sacred, but the principle there embodied is fundamental. Since the enactment of the first revenue law under Washington down to the present time the periods of prosperity have been under protection, and the periods of adversity have been under the policy of free trade or tariff for revenue only.

## Prosperity for All.

This remarkable prosperity under the Dingley law has not been for one class, but for all the people. It has touched the artisan, the farmer, the manufacturer, and the common labor of the country. All have felt its beneficent influence, and I measure my words when I say that the production from all kinds of business enterprise has doubled since that memorable year of 1896, when the country in its distress turned to William McKinley, the champion of protection, as the advance agent of prosperity. The capital employed in our industries has doubled; the total wages paid for labor have more than doubled in these ten years; the farmers have lifted their mortgages and are enjoying the embarrasments of a surplus in the savings banks; and laborers have ceased to hunt for jobs and have become the hunted by the jobs; in spite of large immigration from other lands, there is more work than workers in this country to-day. Capital is cheaper than ever before, and money can be had at less interest than anywhere else in the world. The sun of prosperity is shining on every part of our immense stretch of territory from the Atlantic to the Pacific and from the Great Lakes to the Gulf and the Rio Grande. We are at peace with all the world, and our influence for peace, whether it be between two great powers in the Orient or among the small Republics on the American continent, is felt throughout the world.

The record of the servant is his best and only certificate for continuous employment, and the Republican Party, as a servant of the people, stands to-day in this campaign squarely on its record.

We have no census figures as to business conditions in 1896, but we have them for 1890, 1900, and 1905, and to supplement these we have the official message of President Cleveland, complaining that unparalleled business distress and lack of confi-



dence marked the greater part of his administration. We also have the official statement of Samuel Gompers, as president of the American Federation of Labor, that more than 3,000,000 workingmen were without work in 1894 and 1895, and that work did not return to them until 1897.

### Capital and Wages.

According to the census of 1890, there were \$6,525,000,759 capital invested in manufacturing industries in the United States whereas, according to the official figures, there were in 1905 \$13,122,607,090 so invested. The average number of wage earners in 1890, as given by the census, was 4,251,535, (and Mr Gompers said 3,000,000 more were without work in 1894 and 1895.) In 1905 the number was 5,492,178, not including those in the hand trades.

The total wages paid in 1890 amounted to \$1,891,209,696, and in 1895 to \$2,661,409,858.

The value of the output of our manufactures in 1890 was \$9,372,378,843, and in 1905, \$14,873,818,425, not including that from the hand trades.

Taking the testimony of President Cleveland and Samuel Gompers as to the deplorable condition in 1894, 1895, and 1896, it will be readily seen that the industrial development of the country, both as affecting labor and capital, has been at the rate of 100 per cent. in the ten years.

There has been much discussion and no little confusion over the effort to compare the relative increase in wages and cost of living in the last few years. The Labor Bureau of the United States in its last bulletin on this question made a very careful analysis for the fourteen years from 1890 to 1904. In that comparison and analysis it was shown that the weekly earnings of all employees had increased 53.4 per cent. from 1894 to 1904, and that the retail prices for food products had increased in the same time only 12 per cent. This, I believe, is the only careful and scientific investigation that has been made of the subject.

### Plant the Factory by the Farm.

The Republican Party has always followed the maxim, "Plant the factory by the Farm," that there may be the closest possible exchange between the two great bodies of producers. One of the complaints here in the West was that the manufacturing was principally in the East; but the continuation of a settled policy of protection has gradually extended the industrial development to the West and the South, bringing agriculture and manufacture closer together. The new statistics of manufactures compiled by the United States Census Office last year show more clearly than any previous census the general benefit of the protective policy. The prosperity that has come to the country under the Dingley law has not been spasmodic nor sectional, except that it has produced greater extension of manufacturing into the Central, Western, and Southern States. This new census shows first, that there has been a larger per cent. of increase in the capital put into manufacturing plants in the last five years than there has been in the product of these industries. The actual increase in capital was \$3,700,000,000, or 41 per cent. greater than the capital invested in 1900. The actual increase in output was \$3,384,000,000, or about 30 per cent. over that of 1900. Capital has grown confident of its investment and has turned back into the plant a larger share of its earnings, to increase the demand for labor and ultimately increase the output.

This census also shows that in five years from 1900 to 1905 the increase in the number of wage-earners employed was 16 per cent. over the number in 1900, and the total wages paid 30 per cent. greater; in other words, the increase in the total wages paid was almost twice the ratio of the increase in employment. To my mind there could be no more complete answer to the complaint that wages have not advanced since 1900.



### The West and South.

The most significant figures in this new census are those which show where the greatest increase in industrial plants, capital, employment, wages, and output took place. It was in the Central, Western, and Southern States, which a few years ago were designated simply as agricultural sections of the country. Of the three billion and a half dollars of new capital put into industrial plants in these five years more than one-half of it was in the Central, Western, and Southern States. New England increased her industrial capital \$264,000,000; the Middle Atlantic States \$1,384,000,000; the Southern States, \$575,000,000; the Central States, 1,114,000,000, and the far Western States, \$271,000,000. The percentages of increase were: New England, 24 per cent.; Middle Atlantic, 37.5 per cent.; Southern, 72 per cent.; Central, 42 per cent., and Western 73 per cent. While the increase in the old manufacturing centers of the East was normal and healthy, the increase in the Central, Western and Southern States was in the nature of a great boom in industrial development.

The comparative increases in labor and wages also were much greater in the West and South than in the old manufacturing centers of the East. The increase in wage-earners in New England in the five years were little more than 10 per cent., and the total wages paid, 19.4 per cent.; in the Middle Atlantic States the increases were, wage-earners 16 per cent., total wages 25.8 per cent.; Southern States, wage-earners 22 per cent., total wages 49.4 per cent.; Central States, wage-earners 15.7 per cent., wages 32 per cent.; Western States, wage-earners 29 per cent., wages 59 per cent.

More than this, the wonderful development of manufacturing industry in the South and West has already moved the industrial center of the country nearer to its geographical center, and it is safe to say that to-day fully one-half of the capital, wage-earners, wages paid, and output from our manufacturers is in the Central, Southern, and Western States. The industrial census of 1905 shows this and demonstrates that under the economic policy of the Republican Party, with its steady and prosperous development, our manufacturing has steadily advanced into the great agricultural sections, placing the factory beside the farm, to make the exchange between the two great bodies of producers the more direct and equitable and make them more dependent upon each other.

### Prosperity on the Farm.

Not alone in manufacturing has there been this doubling up process in prosperity under Republican administration. The farmers have doubled their crops and the money they have received in exchange. The farm value of those three great staple crops of the West, corn, wheat, and oats, in 1896 amounted to \$934,000,000, and last year it aggregated \$1,912,000,000, or more than double the value in the last year of Democratic administration. The value of farm animals also doubled in the same period, increasing from \$1,728,000,000 in 1896 to \$3,675,000,000 in 1906.

This prosperity to the farmer was not confined to the corn and wheat belt of the country. Like the rain which falls on the just and unjust alike, it descended upon our friends in the South, who still refuse to believe that prosperity can exist under Republican policies. The value of the cotton crop went from \$319,000,000 in 1896 to more than \$600,000,000 in 1904, the last year for which we have statistics. The miners doubled their output of coal and iron, and in every line of industrial development the last ten years have been in harmony with the scriptural injunction to make two blades of grass grow where one grew before.

Our foreign trade has been along the same double-track lines, our imports increasing from \$780,000,000 in 1896 to \$1,227,000,000 in 1906, and our exports from \$883,000,000 in 1896 to \$1,744,000,000 in 1906. The total volume of our foreign trade in 1896 amounted to \$1,662,000,000, and in 1906 to \$2,970,000,000. Add to that our trade with Porto Rico, Hawaii, and the Philippines, which

amounted to \$75,000,000, and we have in the last year a grand total of \$3,045,000,000 as the amount of business done between the people of the United States and the rest of the world. This is greater than the foreign commerce of any other nation, Great Britain alone excepted, and that because that nation imports her food products, her imports being almost double her exports, while our exports exceed our imports by half a billion dollars.

Under the policy of protection the United States produces one-third of the manufactured and agricultural products of the civilized world. Our labor receives double the compensation that labor receives in Great Britain, and three times the compensation paid to labor on the continent of Europe. Ninety-three per cent. of this product is consumed by our own people, and the comparatively small surplus that goes abroad makes us the greatest exporting nation on the earth.

In the rapid development of the country, we not only live better than any other people, but from the savings of production we have become the wealthiest nation on earth.

### The Steel Trust.

While this unprecedented prosperity has come in less than a decade of Republican administration, and the Dingley tariff law has demonstrated that it is a revenue producer both for the people and the Government, we occasionally hear the old wail that the tariff is the mother of trusts and the shelter of monopoly. The tariff revisionists are, however, answering their own complaints. I find in the 'New York Times,' one of the ablest and most uncompromising organs of tariff revision, an editorial showing that the giant steel trust is no longer looked upon by free traders as a monopoly and that it has steadily declined in its proportion of the steel produced since its organization. The 'Times' says:

#### "Steel Trade."

"The widest interest in the Steel Corporation report attaches to what is least discussed—that is, the conditions in the trade as reflected by the first-hand facts now available. It is true that the Steel Corporation is not the steel trade. Big as it is, it is neither the majority interest, nor even the controlling interest. In fact, its proportion of the trade is relatively declining, while concurrently it is breaking its own records of production and earnings. Its production of pig has fluctuated since its organization within a narrow range, and without decided trend, standing now at 44 per cent. of the country's total. Its production of open hearth and Bessemer castings has fallen by about 3 per cent. to 47 per cent. Its dominance is greatest in the wire nail product, which, although declining, remains at 66 per cent. In short, the trust is not by any means a monopoly, and yet it is impossible that the trust should prosper and the trade languish."

All legislation, and especially revenue legislation, is the result of compromise. It must inevitably be so in order to command, as, of course, is necessary, a majority vote in both House and Senate. It is, therefore, impossible to secure perfection in each schedule of a tariff bill; but I have no hesitation in saying that the present revenue law, known as the Dingley law, all things considered, is the most perfect and just customs revenue law ever enacted. The general distress and industrial conditions prevailing throughout the country at the time of its enactment helped to make it so, because it brought all the people together. In times of prosperity when it is attempted to enact tariff legislation the selfishness of the people is appealed to, but when there is industrial depression different interests are more inclined to get together for the general good.

The Dingley bill was substantially the first legislation under the administration of William McKinley. It was enacted at a time when the revenues of the Government were short, when all our people, on farm, in mine, and in factory, were unable to realize reasonable profits upon their respective products, and when con-



sumption was at a minimum for the want of steady employment by our people at fair wages. In its operations that law has spread more evenly and justly over all production in the United States than any tariff law previously enacted. Under its workings there came hope, confidence, employment, profitable production, and universal prosperity, which has grown and increased from year to year up to the present time. Under it the people worked out their own salvation.

It did not, and does not, please the Democratic Party. That party denounces the policy of protection as robbery and declares for a tariff for revenue only. This has been the position of the Democratic Party for many years; it is its position to-day and the position of all its leaders, including William J. Bryan and John Sharp Williams, the leader of the minority in the House of Representatives, who time and again during the late session of Congress proclaimed the policy of his party to be, if clothed with power, not to destroy protection absolutely at one fell swoop—over night, as he expressed it—but to journey towards a tariff for revenue only. He would not kill the patient outright at one stroke, but would gradually starve it to death.

Such policy means less wages for labor, both skilled and unskilled, in every avenue of production; and, with decrease of wages and slack employment, the great mass of the people would become less valuable customers to all other producers. Such a policy would act and react upon all our people who are customers for each other, and we would have the "nightmare" of 1893 to 1897 repeated.

### When to Revise the Tariff.

Tariff revision in time of prosperity always has halted and always will halt business activity, production and commerce. The manufacturer will lessen his output, for he fears to pile up his product unless there is reasonable certainty of realizing its cost and a fair profit. The farmer halts in making improvements and consumes less, because there is a shortened demand for his products. The decrease in the wages of labor alone pending revision would amount to many hundred million dollars. Where there is confidence and prosperity without precedent, there would be doubt and destruction of confidence.

I heartily endorse the platform lately adopted by the Republicans of Indiana, which, in substance, says that the Republican Party will revise the tariff when it will do more good than harm to the great mass of the people.

It is vital that the Republican Party should remain in power for the coming two years in order that the legislative and executive departments of the Government should continue in harmony. If our friends, the enemy, should be successful in electing a House of Representatives in November next, that body in the Sixtieth Congress would not be in harmony with the Senate or with the President. There would be a "tie-up," so to speak, in legislation. Furthermore, their success would be claimed by our Democratic friends to be an evidence of dissatisfaction upon the part of the people with the legislation enacted by the Republican Congress, as well as an evidence of dissatisfaction with the President, and an assurance of complete power to be given to them in 1908 to enable them to carry out their policies. Their success, conservatively speaking, would halt production and consumption, and, necessarily, business and commerce, at least one-tenth. Instead of forging ahead, as we are now doing, in every producing and business avenue, we would halt, aye, more, we would retrograde.

### Labor.

Education, business, capital and labor have struck hands. The forces of nature are utilized in production for the benefit of both producer and consumer. This condition necessarily required the combined activities of employer and employee. Naturally, differences arise between the two as to what is a proper wage, or, in



other words, as to a fair division of the profits of the business. Laborers found it necessary to co-operate with each other and act together in determining from time to time what was due them in the division of the profits.

According to the last census, 30,000,000 of our people are employed in gainful occupations, and 3,000,000, according to the statement of Mr. Gompers, are organized in what is popularly known as "unions." I feel quite sure that such organizations of labor have, as a rule, been useful, not only to the laborer, but to the employer as well, and to the whole citizenship of the Republic. If I were engaged in such occupation, I have no doubt that I would be a member of the organization.

But it is absolutely necessary before there can be a contest about a division of profits that there should be profits to divide. There was but little profit to divide under the last administration of Grover Cleveland. There was much profit to divide under the administration of William McKinley, and there is much profit to divide under the administration of Theodore Roosevelt, and labor on the average has been receiving a larger share of the profits in increasing wages every year since the election of McKinley.

The first thing for each citizen to do is to see to it that the economic and financial policies which enable the people to create a profit shall be continued. The conferences and contests touching the division of the profits from time to time will be regulated by the contending parties. Capital must get its fair share or it will not continue in business; labor must get its fair share, or it will suffer. Neither can permanently prosper at the expense of the other. The very life of the Republic depends upon the integrity, the wisdom, the patriotism, and the vigilance of the people who make the Republic. Life, liberty, and the pursuit of happiness are inalienable rights guaranteed by the Constitution to each citizen, whether he be rich or poor, great or small. "The liberty of one man ceases where the liberty of another man begins."

In the contest between employer and employee from time to time where differences could not be adjusted, the employer on the one hand has resorted to the lockout, and the employee, on the other hand, to the strike. While both are to be deplored, considering the volume of production and the increase of population, they are becoming less frequent. In my judgment, the time will come when all such differences will be settled amicably between the contending forces; but in all contests employer and employee alike must obey the law which governs all and protects all. The boycott and the blacklist will pass away.

### "Government by Injunction."

There has been much criticism and much denunciation against alleged "Government by Injunction," and violent attacks have been made upon the judiciary of the United States. During the late session of Congress labor leaders differed as to the legislation that was desired. Mr. Gompers, professing to speak for the American Federation of Labor, denounced the so-called Fuller bill, pending before the House Committee on the Judiciary and advocated by Mr. H. R. Fuller, the representative of the railway labor unions, in the most bitter terms as being opposed to human liberty and the rights of labor. Mr. Gompers, with Mr. Spelling, his attorney, advocated a bill introduced by request by Representative Pearre, and pending before the same committee, which, in substance, prohibited United States courts from issuing injunctions in any case between employer and employee, unless necessary to prevent irreparable injury to property or to a property right of the party making the application, for which injury there is no adequate remedy at law, and in the next sentence provided, "*and for the purposes of this act no right to carry on business of any particular kind or at any particular place, or at all, shall be construed, held, considered, or treated as property or as constituting a property right.*" Mr. Spelling, speaking for Mr. Gompers and himself, claimed that such legislation ought to be enacted. It being near the end of the session further consider-

ation of the proposed legislation by the House Judiciary Committee was postponed until the next session of Congress.

Speaking for myself, I am not in favor of this legislation demanded by Mr. Gompers. The power of the courts to issue writs of injunction to prevent irreparable injury to property or to a property right for which there is no adequate remedy at law, is older than the Constitution and as well established as any other principle of law or equity. The inalienable right of each citizen, be he weak or strong, is to come and go to and from his property without molestation, and to carry on business thereon, and, in the exercise of such right, he is entitled to call upon the Government for protection through the courts.

Mr. Gompers claims that in contests growing out of strikes or lock-outs he is opposed to violence on the part of any one connected with the controversy. I will not question the good faith of the claim, but I do say that if the legislation he demands were enacted destruction of property by irresponsible persons in such controversies would increase. Again, if such legislation were enacted, under its cover vicious and irresponsible persons belonging to the criminal class, not engaged in labor or seeking to labor, would avail themselves of the opportunity, as they have in many instances, in the name of contesting labor, of destroying property, and the owner thereof would be without remedy. The legislation that Mr. Gompers demands would turn loose in times of trouble the criminally disposed. In charity for him, I do not believe that he realizes the consequences that would result from that which he advocates, and, in justice to all the citizenship of the Republic, in justice to every man who lives in the sweat of his face by honest endeavor, I am now, and will be at all times, opposed to this legislation which he demands.

For thirty years I have represented a district where nearly all the constituency have lived, and are living, by their labor. They and those like unto them stand for law and order, for protection of property, and the inalienable rights of every citizen. Those who labor have trod, and are treading, no path that I have not trod and that my descendants will not tread. The organized labor that Mr. Gompers claims to represent is composed of people who have the right to organize. They are of all churches and of no church; they are skilled and unskilled; they belong to all the different parties; they are as intelligent and as patriotic as any other equal number of citizens of the Republic. In the transactions of the business of their organization I have no doubt but they will co-operate with those who from time to time they place in authority, but in their party affiliations, in choosing the policies of the Republic, I am ready to take my chances with them, and this too without regard to the demands of Mr. Gompers when he seeks to control their action at the ballot box.

### The President and Congress.

In the executive departments of the Government the record of the party has been brilliant, courageous, and honest, and the name of "Roosevelt" has become a synonym for all those qualities throughout the realms of civilization. He has been the President of all the people, and he has been tireless in his efforts to serve the people by wise, just, and fearless administration of the law. He has been particularly zealous in administering the law against the trusts and combinations of capital which have ignored the old adage of live and let live. The beef trust, the paper trust, the tobacco trust, the drug trust, the coal combination, and various combinations of railroads and shippers have felt the heavy hand of the law and learned that it is strong enough to compel them to give all a square deal. The record of trust prosecutions and investigations into their practices is too long to here recite, but it is acknowledged to be most creditable even by our political opponents.

The Congress has worked in harmony with the President and embodied into law more of his recommendations than has fallen to the lot of most Chief Executives. I believe the record of the Fifty-ninth Congress made in its first session will go into history

as one of the best records of legislation for the benefit of all the people that has ever been made. The railroad rate law, the pure-food law, the meat inspection amendment to the agricultural appropriation act, the free alcohol law, the consular reform legislation, the employers' liability law, all enacted at one session of Congress, make a record of legislation which has not been paralleled in many years.

The amendment to the interstate commerce law known as the Elkins law of 1902, and the rate legislation just enacted, coupled with many decisions by the Supreme Court of the United States, render it reasonably certain that practices which had grown up by large shippers of commodities demanding and receiving from common carriers exceptional rates for transportation not enjoyed by others is prohibited by law and penalized both as to the railway or other common carrier and the shipper. So that it is safe to say that each citizen in the United States will be treated the same as every other citizen. With equal privileges to all, there is no reason to doubt that by enterprise, industry, and competition under equal conditions monopoly is decreasing and will finally cease and a square deal afforded to every competing citizen.

We are willing to stand by the record and trust to the intelligence of the people as to whether they will continue this record of prosperity and wise regulation of abuses, or accept the preachings and promises of the demagogue.

## WORLD'S IRON INDUSTRY.

### The Question as to Supply Lasting a Century.

Consul J. C. McNally sends a report from Liège on the international iron and steel industry and the outlook for the future, based on trade journal statements. It follows:

It is estimated that the iron ore used to date aggregates 3,300 million tons, and that the consumption of raw iron has multiplied twenty-five times. In 1800 the world absorbed 2,000,000 tons, while at the end of the century the figures were 50,000,000 tons. The following table will show the rapid increase of cast iron since 1800, in millions of tons:

Country.	1800—1825.	1825—1850.	1850—1875.	1875—1904.	Total.
United States.....	2	9	31	245	287
England .....	8	40	120	230	398
France .....	3	10	25	56	94
Germany .....	2	7	23	145	177
Others .....	5	14	31	94	144
Total .....	20	80	230	770	1,100

The following table shows the great increase in the average annual output of the individual blast furnaces of each country:

Country.	1870. Tons.	1903. Tons.
United States.....	6,344	95,000
Germany .....	6,400	41,000
England .....	9,120	26,100
France .....	4,400	24,800
Belgium .....	13,380	34,745

The manufacture of cast iron for the years 1904-5 is estimated as follows:

Country.	1904. Tons.	1905. Tons.
United States.....	16,497,033	25,000,000
Germany .....	10,103,941	11,000,000
England .....	8,562,658	9,000,000
France .....	2,800,000	3,000,000
Russia .....	2,300,000	3,000,000
Belgium .....	1,300,000	1,350,000
Other countries.....	3,000,000	3,000,000
Total .....	44,563,632	55,350,000

President Hadfield, of the Iron and Steel Institute of England, said in May last that the demands of the century in cast iron, taking as a basis the production of the last thirty years, would amount to about 54,000,000,000 tons of ore. If this hypothesis is granted, which is considered arbitrary, the stock or supply on earth would be exhausted before the twenty-first century.



## Samuel Gompers on Labor.

*Extracts from remarks of Hon. CHARLES DICK of Ohio, in daily Congressional Record, June 9, 1900.*

1893.

"Since August of this year we have been in the greatest industrial depression this country has ever experienced. It is no exaggeration to say that more than 3,000,000 of our fellow-toilers throughout the country are without employment and have been so since the time named. This lamentable industrial condition is attributed by many to various causes, and it seems to me that the accurate statement of them here is both requisite and appropriate, so that we may be better enabled to so frame our legislation that it may tend to a proper solution of the problem dependent upon the wage-workers for solution. Never in the history of the world has so large a number of people vainly sought for an opportunity to earn a livelihood and contribute to the support of their fellows. In a society where such abnormal conditions prevail there must of necessity be something wrong at the basic foundation."

1897.

"That terrible period for the wage-earners of this country which began in 1893 and which has left behind it such a record of horror, hunger, and misery practically ended with the dawn of the year 1897. Wages had been steadily forced down from 1893 till toward the end of 1895, and it was variously estimated that between two million and two and a half million wage-earners were unemployed. It is agreed by all that the wage-earners are the principal consumers of American products, and it necessarily follows that a reduction in wages involves a diminution in the power of consumption, and consequently a proportionate decrease in production, and, naturally, also in the force of labor required for the production. A reduction of wages, therefore, results in an increase in the army of the unemployed, and any circumstance or combination of circumstances that will check reductions in wages, and hence the diminution of consumption by the masses, is a humane act, based on the soundest laws of economics and of progress."

1899.

"The revival of industry which we have witnessed within the past year is one for general congratulation, and it should be our purpose to endeavor to prolong this era of more general employment and industrial activity. In this effort no power is so potent as organized labor, if we but follow a right and practical course. It is beyond question that the wages of the organized workers have been increased, and in many instances the hours of labor either reduced or at least maintained. The report which your officers are enabled to submit to this convention, so far as the growth and progress of our movement during the past year are concerned, is of a most gratifying character. At last we are realizing some of the fruits of the years of unceasing sacrifice, devotion, and uninterrupted work of our fellow-unionists."

The first of these quotations by Samuel Gompers is taken from page 11 of the Proceedings of the American Federation of Labor Convention held on December 11, 1893, during the last Democratic administration of our national affairs.

The second statement, that of 1897, is taken from a signed article by Samuel Gompers, president of the American Federation of Labor, published in New York on January 1, 1898. I would draw your attention, Mr. Speaker, to the difference noticed by the president of the American Federation of Labor within less than a year of the inauguration of President McKinley and the present Republican Administration.

The third quotation is from the report of President Gompers of the convention of the American Federation of Labor held at Detroit on December 11, 1899. It is a standing memorial to the benefits derived by American labor under a Republican administration and Republican laws that are designed to protect our wage-earners and enable them to secure the highest possible rate of wages in return for the labor which they have to sell.

It is but right to state here that Mr. Samuel Gompers, the president of the American Federation of Labor, is now, and always has been, an uncompromising Democrat. His frank and unsolicited testimony to the better conditions of labor under a Republican administration should, therefore, have some influence with our friends on the other side.

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"That some may be rich shows that others may become rich, and hence is just encouragement to industry and enterprise. Let not him who is homeless pull down the house of another, but let him labor diligently and build one for himself; thus, by example, assuring that his own shall be safe from violence when built."—Abraham Lincoln.

# Agriculture.

Nothing can give a more comprehensive view of our present agricultural conditions than the following extracts from the last report of the Secretary of Agriculture, December, 1905.

To the President:

I have the honor to submit herewith my ninth annual report as Secretary of Agriculture.

The well-being of the American farmer is a matter of profound interest to the entire country. It is, therefore, in the highest degree gratifying to present for your consideration the following evidences of the unprecedented prosperity which has in this and recent years rewarded the diligence of the farmer and the efforts of this Department on his behalf.

## Farmers' Wealth and Well-Being.

Another year of unsurpassed prosperity to the farmers of this country has been added to the most remarkable series of similar years that has come to the farmers of any country in the annals of the world's agriculture. Production has been unequalled; its value has reached the highest figure yet attained; the value of the farmers' National surplus still maintains the magnitude that has built up the balance of trade by successive additions for many years sufficient to change the Nation from a borrower into a lender; there is a continuation of the unprecedented savings that have embarrassed local banks with their riches and have troubled farmers to find investments; and, as if all of these manifestations of a high degree of well-being were not enough, the farms themselves have increased in value to a fabulous extent.

Farm crops have never before been harvested at such a high general level of production and value. The partial failure of two or three second-class crops makes no apparent impression upon the great aggregate of all crops.

After much laborious collection of information an estimate of the value of the crops of 1905 and of all other farm products has been made, as was done last year. The census's detailed statement of the value of all farm products was taken as the basis, and the various items have been brought down from year to year in their quantities and values. For such crops as will later receive a final estimate by the Bureau of Statistics of this Department, the figures herein used are subject to small correction. All values adopted for the various products are farm values, and are in no wise to be mistaken for exchange, middleman's, or consumer's values.

## High Crop Values.

Corn has reached its highest production with 2,708,000,000 bushels, a gain of 42,000,000 over the net lower year, 1899. In value, also, the corn crop of this year is higher than that of the next lower year, 1904, by \$128,000,000, and the total value may be \$1,216,000,000. No other crop is worth more than half as much.

Hay.—Second in order of value among all kinds of crops is the hay crop, which takes the second place back from the cotton crop, which held it for the two preceding years. Many hay crops have exceeded in tons the product of this year, but because of high prices the crop reaches a value of \$605,000,000, which is higher by \$34,000,000 than the value of the crop of 1893.

Cotton, including seed, stands third in value among the leading crops of the year, although some uncertainty still remains concerning its quantity and value. It can only be said that its value, including seed, is expected to rise well toward \$575,000,000, and will be nearer to that figure, or above it, in proportion as the expectations of cotton planters are realized with regard to higher prices.

**Wheat.**—Fears last year that the United States had fallen to the level of its consumption in the production of wheat were ill-founded. The short crop of that year is followed this year by the second wheat crop in size that this country has ever produced, 684,000,000 bushels, and the value of this crop, \$525,000,000, overtops the highest value before reached, in 1891, by \$11,000,000.

**Oats.**—Fifth in order of value among the crops of the year is the oat crop, with 939,000,000 bushels, or 50,000,000 bushels under the highest production, in 1902. In value as well as yield the oat crop of this year has been exceeded in only two previous years, amounting to \$282,000,000, only \$22,000,000 under that of 1902.

**Potatoes.**—Next after oats comes the potato crop, which has been a partial failure and falls below the highest production of preceding years, that of 1904, by 72,000,000 bushels; but in value the crop has done better since it occupies the fourth place from the highest, and is valued at \$138,000,000, or only \$13,000,000 below the highest preceding value, that for 1903.

**Barley.**—The high price of barley during the last three years has much increased the size and value of this crop, so that it now occupies seventh place among the leading agricultural crops. In quantity the crop of this year, 133,000,000 bushels, is third among annual barley crops, though only 7,000,000 bushels under the highest crop, that of 1904, and has a value of \$58,000,000, or only \$4,000,000 under the most valuable crop of this cereal, that of 1902.

**Tobacco,** like potatoes, is an undersized crop this year, as it was last year, and, considering the difficulties in the way of placing a value upon it at this time, an estimate of \$52,000,000 may be too low. At any rate, because of high prices, the entire crop almost exceeds the highest value yet reached, that of 1899.

**Sugar Cane and Sugar Beets.**—Although unrelated in culture, the common purpose of growing sugar beets and sugar cane permits their combination in a statement that their united value this year is estimated to be in the neighborhood of \$50,000,000. This is a farm value for the raw material from which sugar, sirup, molasses, and feeding stuffs are derived in processes of manufacture.

**Rice.**—The rice crop is not available as some other crops which are not mentioned here, yet its remarkable position entitles it to notice. Its production increased from 250,000,000 pounds of rough rice in 1899 to 517,000,000 pounds in 1903 and to 928,000,000 pounds in 1904; but the extraordinary production of 1904 fell to 637,000,000 pounds this year, and, although second in quantity, this year's crop is probably worth more than the crop of 1904, which was valued at \$13,892,000.

**Exceptional General Level.**—While it may be observed that only one crop—corn—reached its highest production this year, four crops reached their highest value—namely, corn, hay, wheat, and rice. The general level of production was high and that of prices still higher, so that no crops for which separate estimates can be made fall below third place in total value compared with the crops of preceding years, except potatoes, barley, tobacco, rye, and buckwheat. The cereals, including rice, more than maintained their previous strong position in production, and their aggregate yield is 4,521,000,000 bushels, with a farm value of \$2,123,000,000, or \$145,000,000 over last year.

### Dairy and Poultry Products.

**Butter and Milk.**—Both butter and milk have higher prices in 1905 than in 1904, and these, combined with increased production, permit an estimate of the value of dairy products at \$665,000,000, or \$54,000,000 above the estimate for last year. No crop but corn produces the income that the dairy cow does.

The farmer's hen is becoming a worthy companion to his cow. The annual production of eggs is now a score of billions, and, after supplying the needs of factories, tanneries, bakeries, and other trades, they are becoming a substitute for high-priced meats, besides entering more generally into the every-day food of the people. Poultry products have now climbed to a place of more



than half a billion dollars in value; and so the farmer's hen competes with wheat for precedence.

### Total Wealth Production on Farms.

Dreams of wealth production could hardly equal the preceding figures into which various items of the farmer's industry have been translated; and yet the story is not done. When other items, which can not find place here, are included, it appears that the wealth production on farms in 1905 reached the highest amount ever attained by the farmer of this or any other country, a stupendous aggregate of results of brain and muscle and machine, amounting in value to \$6,415,000,000.

The deduction from wealth produced, made in the report of last year on account of products fed to live stock, is not continued this year because the duplication of produced wealth in the consumption of products by farm animals is much less than has been assumed and is undoubtedly more than offset by the amount of wealth produced on farms which can not be estimated or even ascertained practically by census enumerators.

It might reasonably have been supposed in 1904 that the wealth produced by farmers had reached a value which would not be equaled perhaps for some years to follow, and yet that value is exceeded by the value for this year by \$26,000,000, just as the value for that year exceeded that for 1903 by \$242,000,000.

The grand aggregate of wealth produced on farms in 1905 exceeds that of 1904 by 4 per cent.; it is greater than that of 1903 by 8 per cent.; and transcends the census figures for 1899 by 36 per cent., and this after a lapse of only six years.

If there is no relapse from this high position that the farmer now holds as a wealth producer, three years hence he may look back over the preceding decade, and, if he will add the annual figures of his wealth production, he will find that the farming element, or about 35 per cent. of the population, has produced an amount of wealth within these ten years equal to one-half of the entire National wealth produced by the toil and composed of the surplus and savings of three centuries.

### Domestic Animals.

Horses.—In the last annual estimate made by this Department of the number and value of domestic animals on farms, nearly a year ago, it appears that the farmers' horses had never before been so numerous nor in the aggregate so valuable. First threatened by the bicycle, and later by the electric trolley car and the automobile, neither one of these, nor all combined, have scared the farmers' horses into diminished numbers or lower prices. On the contrary, horses on farms last winter were worth \$1,200,000,000, or nearly as much as the corn crop of this year, and their number was over 17,000,000. Mules also are steadily increasing, and are worth \$252,000,000.

Cattle.—Milch cows also are advancing in numbers and have reached a total of 17,570,000, worth \$482,000,000. Other cattle, however, have not participated in this advance, and in recent years have declined in number and total value so that last winter they numbered 43,669,000, worth \$662,000,000.

Sheep and Swine.—Sheep, too, are declining in number and in total value, but swine are holding their previous position of many years, the number being 47,321,000, valued at \$283,255,000.

Aggregate Increase.—In the aggregate, the value of farm animals of all sorts has increased a few million dollars within a year and has increased \$249,000,000 since the census of 1900, or 9 per

### Features of Foreign Trade.

Unparalleled Agricultural Surplus.—Out of the enormous productions of the farms of this country the wants of 83,000,000 people have been supplied, and there remains a surplus large enough to become a generous contribution to the other nations of

the earth and unparalleled among them as a National agricultural surplus

The relative position of farm products in domestic exports is a declining one on account of the gain in exports of manufactures, so that, while the exports of the former averaged 62.6 per cent. of all domestic exports for the five years 1900-1904, the percentage for 1905 was only 55.4 per cent.

During the last sixteen years the domestic exports of farm products have amounted to \$12,000,000,000, or \$1,000,000,000 more than enough to buy all the railroads of the country at their commercial valuation, and this with a mere surplus for which there was no demand at home.

Imports Mostly Noncompetitive.—In the matter of imports of farm products the total of the last fiscal year was \$554,000,000, or \$125,000,000 more than the annual average of the preceding five years. Over 1904 the gain was \$92,000,000, which is accounted for by large increases in the imports of silk, wool, hides, and skins, coffee, sugar, and molasses, against which there were relatively small decreases in imports of feathers, rice, tea, and vegetables. The imports of farm products in 1905 were 49.6 per cent. of all imports, as compared with 46.7 per cent. during the preceding five years.

Apparent Balance of Trade.—While the farmer has been a producer and trader, he has also been an international paymaster. In his foreign trade of 1905 he had a net balance in his favor amounting to \$285,000,000; in the preceding five years this favorable balance averaged \$461,000,000; during the five years 1895-1899 it averaged \$338,000,000, and in the five years preceding that the average was \$271,000,000.

During the sixteen years past the farmer has secured a balance of \$5,635,000,000 to himself in his international bookkeeping, and out of this he has offset an adverse balance of \$543,000,000 in the foreign trade in products other than agricultural, and turned over to the Nation from his account with other nations \$5,092,000,000.

### Farmers' Support of Manufacturing.

Not content with his other achievements, the farmer lends his strong shoulder to the support of the manufactures of the country by furnishing raw materials. Computations based upon census information disclose the fact that farm products, to some extent obtained from other countries, constitute 56.4 per cent. of the total products, and 86.8 per cent. of the total materials, of the industries utilizing agricultural products as materials, and these industries produce 36.3 per cent. of all manufactured products and use 42 per cent. of all materials employed in manufacturing.

At the same time these industries using agricultural materials employed 37.8 per cent. of all persons engaged in manufacturing and the capital of these industries is 42.1 per cent. of the capital of all manufacturing establishments.

Restated in absolute terms, during the last census year the farm products employed in certain manufactures were valued at \$2,679,000,000; the value of all materials, including the preceding amount, was \$3,087,000,000; and the products of the industries using these materials were valued at \$4,720,000,000. These industries employed 2,154,000 persons and had a capital of \$4,132,000,000.

Such are the enormous interests, not engaged in agriculture, but in industries that could not maintain themselves without the farmer and his extraordinary productive ability.

### Farmers Becoming Bankers.

Naturally such a large class of the population as the farmers, producing wealth and surpluses to the extent that they are, have savings which they invest in various ways, since in this country the stocking and its hiding place are not the savings bank. One of the most notable outgrowths of savings by farmers is the very great multiplication of small national banks in recent years.

Under the amendment to the national banking act, permitting the organization of banks with a capital of less than \$50,000, as many as 1,754 of these banks were organized from March 14, 1900 to October 31, 1905, excluding those organized in the noncontiguous possessions. These banks are distributed mostly throughout the South and the North Central States in rural regions, where they depend for their business primarily and directly upon the farmers' prosperity, and secondarily, upon the village merchants and persons of other employment, who themselves are dependent upon the prosperity of the farmers.

In the Southern States 633 of these banks were organized, representing 36.1 per cent. of the total number; in the North Central States the number was 792, or 45.2 per cent. of the total. To one who is familiar with State and regional conditions it is significant to notice that in the North Central States west of the Mississippi River, 513 of these banks were organized, representing 29.3 per cent. of the total number, and that in the Southwestern region, embracing Texas, Indian Territory, and Oklahoma, 397 new small banks stand for 26.2 per cent. of the total.

If the capital of these banks had been sent from Boston and New York it would have been such a proceeding as was common fifteen years ago; but, instead of coming from such an origin, the capital of these banks has come from the farmers. The State bank commissioner of Kansas, in his report for 1904, states that "it has been an area of small banks in isolated communities, and so many have been started that to-day every hamlet in the State where any considerable business is done has a bank. This increase in the number of small banks arises, first, from the fact that farmers and business men in these communities had idle money that they desired to invest and banking appealed to them," etc. The same cause for the establishment of these banks is reported from the South and North Central and Western groups of States.

### Depositors in Banks.

In the North Central States farmers have been depositing money in the banks until the rate of interest on deposits has fallen so low that they have diverted a large portion of their savings to permanent investments. In spite of the fact that the banks do not receive and keep all or most of the farmers' savings, the increase of bank deposits in agricultural States and larger regions is most extraordinary. The following are some examples of the increase of the deposits in all banks in the agricultural States during the year ending June 30, 1905: In Iowa and South Dakota, the increase was 14.9 per cent.; in Nebraska, 13.5 per cent.; in Kansas, 9.7 per cent.; in North Dakota, 25. During the same time bank deposits in the great capital State of Massachusetts increased 9.1 per cent.

Still more remarkable is the bank statement for the South Central States. During the past year the deposits increased 18.1 per cent. in Texas, 21.4 in Oklahoma, 24.1 per cent. in Arkansas, and 45.7 per cent. in the Indian Territory, while throughout the whole area of that geographic division the increase was 22.8 per cent. The general average increase for the United States was 13.5 per cent.

If a comparison is made with 1896, within the latest prolonged financial depression, the comparisons are still more striking. During the ten years from that year to June 30, 1905, the bank deposits of the United States, all banks included, increased 129.2 per cent. In comparison with this is the increase of the South Atlantic States, 167.4 per cent.; of the Western or Rocky Mountain and Pacific States, 169.8 per cent.; of the North Central States, 185.5 per cent.; and still more striking is the percentage of the South Central States, 255.7 per cent.; while during the same time the deposits in the North Atlantic States increased only 102.3 per cent.

For individual States there are such increases during the ten years as 190.9 per cent. for Iowa, 239.3 per cent. for Kansas, 294 per cent. for North Dakota, and 355.7 per cent. for South Dakota. The progress of the South Central States was still more rapid,



as evidenced in particular by Mississippi, with an increase of 347.1 per cent. in bank deposits; by Texas, 248 per cent.; by Oklahoma, 172.6 per cent.; and by Arkansas, with 503.8 per cent.

For the first time in the financial history of the South, deposits in the banks of that region now exceed \$1,000,000,000.

The foregoing remarkable increases in bank deposits in agricultural States, as well as the increase in the number of small country banks, are directly and indirectly because of the profits that have come to the farmers from the operation of their farms. The man with the hoe has become the man with the harvester and the depositor and shareholder of the bank.

### Decadence of the Crop Lien.

Nothing has been of greater financial moment to the cotton planters than the profitable price of cotton during the past three years. It has been the means of lifting them out of a rut that at times filled them with despair. The crop lien, which was a necessity immediately after the Civil War, is disappearing where it has not already gone and released the planters from its bondage.

For the first time in nearly half a century the cotton planter's unsecured note is now good at the bank, and his land is a safe security and is salable.

### Increase in Farm Values.

Such an account of the farms of the United States as is given in the foregoing matter may seem too optimistic in tone and too extravagant in expression. With the expectation that the story of the year would present this appearance, and to verify or discredit it, the Department undertook and has just completed an investigation of the changes in the values per acre of medium farms since the census of 1900. The net result of these changes is an enormous increase in the values, which increase is entirely consonant with the period of high prosperity that the farmers have enjoyed since 1900, the only considerable blot upon an otherwise clean record of these years being the very deficient corn crop of 1901.

Inquiries were addressed to 45,000 correspondents, representing almost every agricultural neighborhood in the United States, and the returns of these correspondents warrant the statements that follow. The values asked for and reported include the buildings and all improvements, but no personal property.

Percentage of Gain.—During the five years past the value of the real estate of medium farms of this country has increased 33.5 per cent., as compared with the census increase of 25 per cent. for the real estate of all farms from 1890 to 1900. The highest percentage of increase—40.3 per cent.—is found in the South Central group of States. Next to this is 40.2 for the Western group, which includes the Rocky Mountain and Pacific States. Third in order is the South Atlantic group, with 36 per cent. of increase. The North Central States, containing most of the great cereal and live-stock surplus region, increased 35.3 per cent., and lowest of all was the increase of the North Atlantic States—13.5 per cent. Thus it appears that the medium farms of the South have increased in value in a greater degree than the medium farms of the entire North as far west as the Rocky Mountains.

Farms are classified according to their principal sources of income, conforming substantially to the census classification for 1900. With this understanding, correspondents report an increase of 48.2 per cent. in value per acre for the medium cotton farms during the five years, 35 per cent. for the hay and grain farms, 34.3 per cent. for the live-stock farms, and 33.2 per cent. for the farms devoted principally to sugar cane and sugar beets. Rice farming follows with an increase of 32.2 per cent. in value per acre, while close to this is 32.1 per cent. for tobacco farms. Next in order are the farms devoted to general farming, with an increase in value per acre amounting to 30.1 per cent., after which are the fruit farms, with an increase of 27.9 per cent.; vegetable

farms, 26.7 per cent.; and, lowest of all, the dairy farms, with an increase of 25.8 per cent.

**Dollars of Gain Per Acre.**—When a comparison is made among the various regions of the country and among the various classes of farms with regard to the number of dollars of increase rather than the percentage of increase, the results are very different from the preceding. The medium farms of the North Central division increased on the average \$11.25 per acre during the five years. In the Western division of States the increase was \$5.33; in the North Atlantic States, \$5.26; while the increases were lowest in the South, where in the South Atlantic division the gain was \$4.93, and in the South Central, \$4.66. The average increase per acre of medium farms in the United States, all classes combined, was \$7.31.

Although the rate of increase for cotton farms was highest of all specialized farms, the amount of increase per acre was lowest, or \$5.21. Next above this is rice, with \$5.97; live stock, with \$6.40; and general farming, \$6.78. Rising considerably above this was the increase for dairy farms, \$8.53; tobacco farms, \$9.13; and hay and grain farms, \$9.43. The highest increases are for vegetable farms, \$11.10; sugar farms, \$12.34; and fruit farms, \$15.29.

**Causes of Increase.**—While some decreased values were found in a few places, due to local causes, the general fact of large increases in farm values was explained by correspondents with much particularity. The increase is chiefly due to better prices and more profitable results of farm operations, leading to a higher capitalization of land on account of increased net profit. But this by no means fully accounts for the marked increase discovered in farm values, when secondary causes are considered. Everywhere is revealed a more intelligent agriculture; the farmers are improving their cultural methods and are changing from less profitable to more profitable crops. They are discovering that high cost of production attends extensive agriculture, and that, on the contrary, intensive culture and intensive crops increase the net profits per acre. As disclosed in the preceding increases of average acre values, the farms of the less intensive culture and crops have increased in value less than the farms having the more valuable crops receiving high culture.

Other causes for higher values are the erection of new buildings, the keeping of buildings in better repair, better fences, tile draining of land that has been too wet, and a general improvement in farm thrift. New facilities for transportation, where existing, are everywhere reported as at once raising the value of farm lands, whether new railroads or wagon roads that will permit the hauling of larger loads and for longer distances.

Another cause for increase which has had a distinct effect by itself is the growing desire and ability of farmers, and townspeople also, to invest in farm lands as affording a safe investment, even though the rate of interest, as values now are, is not high.

Many minor causes have co-operated with the foregoing to bring about the wonderful increase in farm values during the past five years that the Department has discovered.

**Grand Aggregate Increase of Value.**—The correspondents reporting with regard to this matter were requested to state increases and decreases for medium farms. There are reasons for believing that the increases for this class of farms may be extended to farms below and above the medium without a material distortion of the fact as representing all farms. While the increases reported for medium farms are higher than for the more poorly kept and less productive farms, on the other hand they are lower than for the better kept and more productive farms of the highest class, which are not covered in the reports of correspondents.

Accepting, then, the increased average acre values of the various classes of medium specialized and general farms as applicable to all farms, including those above and below medium, with such pertinent qualifications as may be made, these increases are applied to the total number of farms of the various classes with results, which, it is believed, are approximately correct.



With this understanding it is found that the cotton farms have increased in value \$460,000,000, the most prominent increase among the States being Texas, with \$115,000,000, while Georgia stands second with \$77,000,000, and Mississippi third with \$62,000,000. Therefore, it may be said that during the last five years the cotton plantations have had six crops of cotton, one of these crops being a permanent investment and promising to pay a good return year by year.

Sugar farms have increased in value \$20,000,000, more than half of which is found in Louisiana and one-sixth in California.

Hay and grain farms have such an immense acreage that the increase for them amounts to \$2,000,000,000, three-fourths of which is in the North Central States; and an even greater gain, or \$2,263,000,000, was made by the live-stock farms, nearly three-fourths of this also being in the North Central States. In the case of farms having dairying as a specialty the increased value was \$369,000,000; tobacco farms increased \$57,000,000; rice farms, \$3,300,000; fruit, \$94,000,000; vegetable farms, \$113,000,000; and farms devoted to general and miscellaneous purposes \$768,000,000.

In the grand aggregate of all farms of all classes the increased value equaled the enormous total of \$6,131,000,000.

Every sunset during the past five years has registered an increase of \$3,400,000 in the value of the farms of this country; every month has piled this value upon value until it has reached \$101,000,000; that portion of the National debt bearing interest is equaled by the increased value of farms in nine months, and this increase for a little over a year balances the entire interest and non-interest bearing debt of the United States.

This increased value that has come to farms is invested better than in bank deposits or even in the gilt-edged bonds of private corporations.

### Economic Position of Farmers.

If the farmers' economic position in the United States is to be condensed to a short paragraph, it may be said that their farms produced this year wealth valued at \$6,415,000,000; that farm products are yearly exported with a port value of \$875,000,000; that farmers have reversed an adverse international balance, of trade, and have been building up one favorable to this country by sending to foreign nations a surplus which in sixteen years has aggregated \$12,000,000,000, leaving an apparent net balance of trade during that time amounting to \$5,092,000,000 after an adverse balance against manufactures and other products not agricultural, amounting to \$543,000,000, has been offset. The manufacturing industries that depend upon farm products for raw materials employed 2,154,000 persons in 1900 and used a capital of \$4,132,000,000. Within a decade farmers have become prominent as bankers and as money lenders throughout large areas; and during the past five years prosperous conditions and the better-directed efforts of the farmers themselves have increased the value of their farms 33.5 per cent., or an amount approximately equal to \$6,131,000,000.

### NUMBER AND ACREAGE OF FARMS AND NUMBER OF ACRES IMPROVED AND UNIMPROVED: 1850 TO 1900.

(From reports of the Bureau of the Census, Department of Commerce and Labor.)

Census year.	Number of farms.	Number of acres in farms.			Average number of acres to a farm.	Per cent of farm land—	
		Improved.	Un-improved.	Total.		Im-proved	Un-improved.
1850.....	1,449,073	113,032,614	180,528,000	293,560,614	202.6	33.5	61.5
1860.....	2,044,077	163,110,720	244,101,818	407,212,538	199.2	40.1	59.9
1870*.....	2,659,985	188,921,099	218,813,942	407,735,041	153.3	46.3	53.7
1880*.....	4,008,907	284,771,042	251,310,793	536,081,835	133.7	53.1	46.9
1890*.....	4,564,641	357,616,755	265,601,864	623,218,619	136.5	57.4	42.6
1900.....	5,737,372	414,498,487	424,093,287	838,591,774	146.2	49.4	50.6

\*Not including farms of less than 3 acres, which reported the sale of less than \$500 worth of products in the census year.



**VALUE OF FARM PROPERTY: 1850 TO 1900.**

(From reports of the Bureau of the Census, Department of Commerce and Labor.)

Census year.	Value of				Per cent of value of all farm property in—		
	All farm property.	Farm land with improvements, including buildings.	Implements and machinery.	Live stock.	Farm land, with improvements, including buildings.	Implements and machinery.	Live stock.
	Dollars.	Dollars.	Dollars.	Dollars.			
1850....	3,967,343,580	3,271,575,426	151,587,638	a 544,180,516	82.5	3.8	13.7
1860....	7,980,493,063	6,645,045,007	246,118,141	a1,089,329,915	83.3	3.1	13.6
1870b..	11,124,958,747	9,262,803,861	336,878,429	a1,525,276,457	83.3	3.0	13.7
1880....	12,180,501,538	10,197,096,776	406,520,055	c1,576,884,707	83.7	3.3	13.0
1890....	16,082,267,689	13,279,252,649	494,247,467	c2,308,767,573	82.6	3.1	14.3
1900....	20,439,901,164	d16,614,647,491	749,775,970	e3,075,477,703	81.3	3.7	15.0

a Including only the reported value of live stock on farms.

b Values for 1870 were reported in depreciated currency. To reduce to specie basis of other years they must be diminished one-fifth.

c Including estimated value of live stock on ranges.

d Value of land, with improvements, except buildings, \$13,058,007,995; value of buildings, \$3,556,639,496. The Twelfth Census was the first to collect separate statistics of buildings on farms.

e Including value of live stock on ranges as well as on farms. Value of domestic animals, \$2,979,197,586. This figure is more nearly comparable than that in the table with the returns for value of live stock at earlier censuses.

**COTTON CROP IN SPECIFIED YEARS, 1850 TO 1904.**

Estimated Acreage, Product, and Value.

Year.	Area. Acres.	-Total-	
		Product. Bales.	Value. Dollars.
1850*.....	.....	2,469,093	.....
1860*.....	.....	5,387,052	.....
1870*.....	.....	3,011,996	.....
1880.....	15,475,300	†2,854,471,100	280,266,242
1885.....	18,300,865	6,575,300	269,989,812
1886.....	18,454,603	†3,127,230,233	257,295,327
1887.....	18,641,067	7,020,209	291,045,346
1888.....	19,058,591	6,940,898	292,139,209
1890*.....	20,175,270	7,472,511	.....
1893.....	19,525,000	7,493,000	.....
1894.....	23,687,950	9,476,435	259,164,640
1895.....	20,184,808	7,161,094	293,358,852
1896.....	23,273,209	8,532,705	291,811,564
1897.....	24,319,584	10,897,857	319,491,412
1898.....	24,967,295	11,189,205	305,467,041
1899.....	23,403,497	9,142,838	334,847,868
1900.....	25,758,139	10,401,453	511,098,111
1901.....	27,220,414	10,662,995	418,358,366
1902.....	27,114,103	10,725,422	458,051,005
1903.....	28,016,893	10,061,289	600,288,626
1904†.....	.....	13,679,954	.....

\*The crop of the preceding year. †Pounds. ‡Cotton ginned.

**TOBACCO CROP IN SPECIFIED YEARS, 1893 TO 1905.**

Estimated Acreage, Product, and Value.\*

Year.	Area. Acres.	Product. Pounds.	Value. Dollars.
1893.....	702,952	483,023,963	39,155,442
1894.....	523,103	406,678,385	27,760,739
1895.....	633,950	491,544,000	35,574,220
1896.....	594,749	403,004,320	24,258,070
1899†.....	†1,101,460	†868,112,865	†56,987,902
1900.....	1,046,427	814,345,341	53,661,132
1901.....	1,039,199	818,953,373	58,283,108
1902.....	1,030,734	821,823,963	80,472,506
1903.....	1,037,735	815,972,425	55,514,627
1904.....	806,409	660,460,739	53,382,959
1905.....	776,112	633,033,719	53,519,068

\*The value given is for December 1. †Census figures. ‡Exclusive of Hawaii.

## CEREAL CROPS.

## Estimated Production and Value, 1890 to 1905.

(From annual reports of the Department of Agriculture.)

## CORN.

Calendar year.	Total			Average		
	Area	Production.	Farm value, Dec. 1.	Value per bushel, Dec. 1.	Yield per acre.	Value of yield per acre, Dec. 1.
	Acres.	Bushels.	Dollars.	Cts.	Bush.	Doll.
1890.....	71,970,763	1,489,970,000	754,433,451	50.6	20.7	10.48
1891.....	76,204,515	2,060,154,000	836,439,228	40.6	27.0	10.98
1892.....	70,626,658	1,628,464,000	642,146,630	39.4	23.1	9.09
1893.....	72,036,465	1,619,496,131	591,625,627	36.5	22.5	8.21
1894.....	62,582,269	1,212,770,052	554,719,162	45.7	19.4	8.86
1895.....	82,075,830	2,151,138,580	544,985,534	25.3	26.2	6.64
1896.....	81,027,156	2,283,875,165	491,006,967	21.5	28.2	6.06
1897.....	80,095,051	1,902,967,933	501,072,952	26.3	23.8	6.26
1898.....	77,721,781	1,924,184,660	552,023,428	28.7	24.8	7.10
1899.....	82,108,587	2,078,143,933	629,210,110	30.3	25.3	7.66
1900.....	83,320,872	2,105,102,516	751,220,034	35.7	25.3	9.02
1901.....	91,349,928	1,522,519,891	921,555,768	60.5	16.7	10.09
1902.....	94,043,613	2,523,648,312	1,017,017,349	40.3	26.8	10.81
1903.....	88,091,993	2,244,176,925	952,868,801	42.5	25.5	10.82
1904.....	92,231,581	2,467,480,934	1,087,461,440	44.1	26.8	11.79
1905.....	94,011,369	2,707,993,540	1,116,696,738	41.2	28.8	11.88

## WHEAT.

1890.....	36,087,154	399,262,000	334,773,678	83.8	11.1	9.28
1891.....	39,916,897	611,780,000	513,472,711	83.9	15.3	12.86
1892.....	38,554,430	515,949,000	322,111,881	62.4	13.4	8.35
1893.....	34,629,418	396,131,725	213,171,381	53.8	11.4	6.16
1894.....	34,882,436	460,267,416	295,902,025	49.1	13.2	6.48
1895.....	34,047,332	467,102,947	237,938,998	50.9	13.7	6.99
1896.....	34,618,646	427,684,346	310,602,539	72.6	12.4	8.97
1897.....	39,465,066	530,149,168	428,547,121	80.8	13.4	10.86
1898.....	44,055,278	675,148,705	392,770,320	58.2	15.3	8.92
1899.....	44,592,516	547,303,846	319,545,259	58.4	12.3	7.17
1900.....	42,495,385	522,229,505	323,525,177	61.9	12.3	7.61
1901.....	49,895,514	748,460,218	467,350,156	62.4	15.0	9.37
1902.....	46,202,424	670,063,008	422,224,117	63.0	14.5	9.14
1903.....	49,464,967	637,821,835	443,024,826	69.5	12.9	8.96
1904.....	44,074,875	552,399,517	510,489,874	92.4	12.5	11.58
1905.....	47,854,079	692,979,489	518,372,727	74.8	14.5	10.83

## OATS.

1890.....	26,431,369	523,621,000	222,048,486	42.4	19.8	8.40
1891.....	25,581,861	738,394,000	232,312,267	31.5	28.9	9.08
1892.....	27,063,835	661,035,000	209,253,611	31.7	24.4	7.73
1893.....	27,273,033	638,854,850	187,576,092	29.4	23.4	6.88
1894.....	27,023,553	662,036,928	214,816,920	32.4	24.5	7.95
1895.....	27,878,406	824,443,537	163,655,068	19.9	29.6	5.87
1896.....	27,565,985	707,346,404	132,485,033	18.7	25.7	4.81
1897.....	25,730,375	698,767,809	147,974,719	21.2	27.2	5.75
1898.....	25,777,110	730,906,643	186,405,364	25.5	28.4	7.23
1899.....	26,341,380	796,177,713	198,167,975	24.9	30.2	7.52
1900.....	27,364,795	809,125,989	208,669,233	25.8	29.6	7.63
1901.....	28,541,476	736,808,724	293,658,777	39.9	25.8	10.29
1902.....	28,653,144	987,842,712	303,584,852	30.7	34.5	10.60
1903.....	27,638,126	784,094,199	267,661,665	34.1	28.4	9.68
1904.....	27,842,669	894,595,552	279,900,013	31.3	32.1	10.05
1905.....	28,046,746	953,216,197	277,047,537	29.1	34.0	9.88

## RYE.

1890.....	2,141,853	25,807,472	16,229,992	62.9	12.0	7.58
1891.....	2,176,466	31,751,868	24,589,217	77.4	14.6	11.30
1892.....	2,163,657	27,978,824	15,160,056	54.2	12.9	7.01
1893.....	2,038,485	26,555,446	13,612,222	51.3	13.0	6.68
1894.....	1,944,780	26,727,615	13,395,476	50.1	13.7	6.89
1895.....	1,890,345	27,210,070	11,964,826	44.0	14.4	6.33
1896.....	1,831,201	24,369,047	9,960,769	40.9	13.3	5.44
1897.....	1,703,561	27,363,324	12,239,697	44.7	16.1	7.18
1898.....	1,643,207	25,657,522	11,875,350	46.3	15.6	7.23
1899.....	1,659,308	23,961,741	12,214,118	51.0	14.4	7.36
1900.....	1,591,362	23,995,927	12,295,417	51.2	15.1	7.73
1901.....	1,987,505	30,344,830	16,909,742	55.7	15.3	8.51
1902.....	1,978,548	33,630,592	17,080,793	50.8	17.0	8.63
1903.....	1,906,894	29,363,416	15,993,871	54.5	15.4	8.39
1904.....	1,792,673	27,241,515	18,748,323	68.8	15.2	10.45
1905.....	1,662,508	27,616,045	16,754,657	60.7	16.6	10.08

## CEREAL CROPS.

## Estimated Production and Value, 1890 to 1905—Continued.

## BARLEY.

Calendar year.	Total			Average		
	Area.	Production.	Farm value Dec. 1.	Value per bushel Dec. 1.	Yield per acre.	Value of yield per acre Dec. 1.
	Acres.	Bushels.	Dollars.	Cts.	Bush.	Doll.
1890.....	3,135,302	67,168,344	42,140,502	62.7	21.4	13.44
1891.....	3,352,579	86,839,153	45,470,342	52.4	25.9	13.56
1892.....	3,400,361	80,096,762	38,026,062	47.5	23.6	11.18
1893.....	3,220,371	69,869,495	28,729,386	41.1	21.7	8.92
1894.....	3,170,602	61,400,465	27,134,127	44.2	19.4	8.56
1895.....	3,299,973	87,072,744	29,312,413	33.7	26.4	8.88
1896.....	2,950,539	69,695,223	22,491,241	32.3	23.6	7.62
1897.....	2,719,116	66,685,127	25,142,139	37.7	24.5	9.25
1898.....	2,583,125	55,792,257	23,064,359	41.3	21.6	8.93
1899.....	2,878,229	73,381,563	29,594,254	40.3	25.5	10.28
1900.....	2,894,282	58,925,833	24,075,271	40.8	20.4	8.32
1901.....	4,295,744	109,932,924	49,705,163	45.2	25.6	11.57
1902.....	4,661,063	134,954,023	61,898,634	45.9	29.0	13.28
1903.....	4,993,137	131,861,391	60,166,313	45.6	26.4	12.05
1904.....	5,145,878	139,748,958	58,651,807	42.0	27.2	11.40
1905.....	5,095,528	136,651,020	55,047,166	40.3	26.8	10.80

## BUCKWHEAT.

1890.....	844,579	12,432,831	7,132,872	57.4	14.7	8.45
1891.....	849,364	12,760,932	7,271,506	57.0	15.0	8.56
1892.....	861,451	12,143,185	6,295,643	51.8	14.1	7.31
1893.....	815,614	12,122,311	7,074,450	58.4	14.9	8.67
1894.....	789,232	12,668,200	7,040,238	55.6	16.1	8.92
1895.....	763,277	15,341,399	6,936,325	45.2	20.1	9.09
1896.....	754,898	14,089,783	5,522,339	39.2	18.7	7.32
1897.....	717,836	14,997,451	6,319,188	43.1	20.9	8.80
1898.....	678,332	11,721,927	5,271,462	45.0	17.3	7.77
1899.....	670,148	11,094,473	6,183,675	55.7	16.6	9.23
1900.....	637,930	9,566,966	5,341,413	55.8	15.0	8.37
1901.....	811,164	15,125,939	8,523,317	56.3	18.6	10.51
1902.....	804,889	14,529,770	8,654,704	59.6	18.1	10.75
1903.....	804,393	14,243,644	8,650,733	60.7	17.7	10.75
1904.....	793,625	15,008,336	9,330,768	62.2	18.9	11.76
1905.....	760,118	14,585,082	8,565,499	58.7	19.2	11.27

## POTATO CROP 1900 TO 1905.

## Acreage, Production, and Value.\*

(From reports of the Department of Agriculture.)

Year,	Acreage.	Yield	Production.	Price	Farm
	Acres.	per acre. Tons.		per ton. Dollars.	value. Dollars.
1905.....	2,996,757	87.0	260,741,294	61.7	160,821,080
1904.....	3,015,675	110.4	332,830,300	45.3	150,673,392
1903.....	2,916,855	84.7	247,127,880	61.4	151,638,094
1902.....	2,965,587	96.0	284,632,787	47.1	134,111,436
1901.....	2,864,335	65.5	187,598,087	76.7	143,979,470
1900.....	2,611,054	80.8	210,926,897	43.1	90,811,167

\*Does not include sweet potatoes.

## HAY CROP 1900 TO 1905.

## Acreage, Production, and Value.

(From reports of the Department of Agriculture.)

Year,	Acreage.	Yield	Production.	Price	Farm
	Acres.	per acre. Tons.		per ton. Dollars.	value. Dollars.
1905.....	39,361,900	1.54	60,531,611	8.52	515,959,784
1904.....	39,998,602	1.52	60,696,028	8.72	529,107,625
1903.....	39,933,759	1.54	61,305,940	9.08	556,376,880
1902.....	39,825,227	1.50	59,857,576	9.06	542,036,364
1901.....	39,390,508	1.28	50,590,877	10.01	506,191,533
1900.....	39,132,890	1.28	50,110,906	8.89	445,538,870



# PRODUCTION AND COMMERCIAL MOVEMENT OF SUGAR.

## Quantity of Sugar Consumed in the United States from 1877 to 1905.

(Data furnished by Messrs. Willett & Gray, of New York.)

Calendar year.	Refined product of sugar imported.*	Domestic product.		Total, including maple sorghum and from imported molasses.	Consumption per capita.
		Of cane.	Of beet.		
	Tons.	Tons.	Tons.	Tons.	Pounds.
1877.....	606,750	89,000	446	745,250	36
1878.....	649,872	71,000	223	773,472	36.2
1879.....	663,196	112,000	357	831,896	38.1
1880.....	805,045	88,822	357	956,784	42.7
1881.....	835,261	127,367	629	1,012,206	44.2
1882.....	973,720	76,372	446	1,134,994	48.4
1883.....	1,021,956	142,297	536	1,224,011	51.1
1884.....	1,098,090	135,243	737	1,309,383	53.4
1885.....	1,122,345	100,876	600	1,298,380	51.8
1886.....	1,232,755	135,158	754	1,459,280	56.9
1887.....	1,213,791	85,394	255	1,381,714	52.7
1888.....	1,270,629	167,814	1,640	1,519,283	56.7
1889.....	1,193,761	153,909	2,400	1,416,474	51.8
1890.....	1,257,292	136,503	2,800	1,476,377	52.8
1891.....	1,614,580	221,951	5,400	1,888,851	66.3
1892.....	1,597,306	204,064	12,000	1,853,370	63.8
1893.....	1,623,872	235,886	16,000	1,906,758	64.4
1894.....	1,700,635	271,336	20,443	2,012,714	66.7
1895.....	1,572,438	324,506	30,000	1,949,744	63.4
1896.....	1,670,963	243,220	40,000	1,960,086	62.5
1897.....	1,715,607	310,537	39,684	2,070,978	64.8
1898.....	1,708,937	252,812	34,453	2,002,902	61.5
1899.....	1,844,642	160,400	62,826	2,078,068	62.6
1900.....	1,950,014	174,450	82,736	2,219,847	65.2
1901.....	†1,932,330	292,150	124,859	2,372,316	63.7
1902.....	‡2,092,657	296,000	148,526	2,566,108	72.8
1903.....	§1,982,605	292,800	247,563	2,549,643	70.9
1904.....	¶2,246,068	323,649	170,135	2,767,162	75.3
1905.....	**2,056,092	334,522	220,722	2,632,216	70.5

\*Leading refiners state that little or no sugar is manufactured from domestic molasses. Messrs. Willett & Gray, New York, state that of the sugar consumed in 1902 only about 44,749 tons were unrefined.

†Includes 309,070 tons Hawaiian, 66,279 tons Porto Rican, and 5,100 tons Philippine.

‡Includes 311,139 tons Hawaiian, 84,827 tons Porto Rican, and 2,550 tons Philippine.

§Includes 357,850 tons Hawaiian, 85,989 tons Porto Rican, and 29,947 tons Philippine.

¶Includes 330,745 tons Hawaiian, 116,942 tons Porto Rican, and 22,100 tons Philippine.

\*\*Includes 376,497 tons Hawaiian, 124,928 tons Porto Rican, and 14,673 tons Philippine.

## Quantity of Beet Sugar Produced in the United States, 1891-92 to 1904-5.

(From reports of the Department of Agriculture.)

Factory year.	Factories.	Area.	Beets used.	Sugar produced.*	Average extraction of raw sugar		
					Per ton of beets.	Per cent. of beets.	Per acre.
	Num-ber.	Acres.	Short tons.	Lbs.	Lbs.		Lbs.
1891-92....	6	7,155	72,530	12,004,838	184	9.20	1,864
1892-93....	6	13,128	128,887	27,083,288	233	11.67	2,292
1893-94....	6	19,645	194,896	45,191,296	256	12.82	2,556
1894-95....	5	19,538	(†)	45,006,000	(†)	(†)	2,559
1895-96....	6	22,948	(†)	65,453,000	(†)	(†)	3,169
1896-97....	7	57,239	(†)	84,081,000	(†)	(†)	1,632
1897-98....	9	41,272	389,635	90,491,670	258	12.90	2,436
1898-99....	15	37,400	(†)	72,735,000	(†)	(†)	2,161
1899-1900..	31	135,305	794,658	163,458,075	229	11.43	1,342
1900-1901..	34	132,000	811,654	172,164,000	236	11.78	1,449
1901-2.....	39	194,725	1,704,595	365,402,000	238	11.91	2,085
1902-3.....	44	259,513	1,838,665	437,837,000	258	12.88	1,875
1903-4.....	53	292,295	2,022,839	466,222,000	256	12.80	1,772
1904-5.....	51*	252,100	2,024,558	469,777,000	258	12.89	2,071

\*The bulk of the sugar produced is refined. For calculating the average extraction the figures here given have been reduced to terms of raw sugar on the assumption that 90 pounds of refined is equivalent to 100 pounds of raw.

†Not stated.

## SUGAR CONSUMPTION.

## Per Capita in Europe and in This Country.

The per capita consumption of sugar in the United States in 1904 was 75.3 pounds, an increase of 4.2 pounds, as compared with 1903. There was a further increase in 1905 so that the per capita consumption of sugar in this country is now practically equal to that of Great Britain and more than double that of Germany or France. F. O. Licht, in his "Monthly Report," dated Madgeburg, February 16, 1906, gives the per capita consumption of sugar in Europe last year as follows:

Country.	Population, 1905.	Pounds, 1904-5.	Country.	Population 1905.	Pounds, 1904-5.
Germany .....	60,131,000	32.9	Spain .....	19,100,000	12.1
Austria .....	48,592,000	20.5	Portugal & Madeira.	5,574,000	14.7
France .....	39,102,000	34.4	England .....	43,307,000	81.3
Russia .....	110,000,000	19.5	Bulgaria .....	3,753,000	6.5
Holland .....	5,546,000	35.6	Greece .....	2,490,000	8.2
Belgium .....	6,985,000	25.6	Servia .....	2,624,000	5.5
Denmark .....	2,585,000	60.6	Turkey .....	24,640,000	8.5
Sweden and Norway	7,514,000	42.6	Switzerland .....	3,450,000	44.1
Italy .....	33,218,000	7.2			
Roumania .....	6,292,000	7.4	All Europe.....	424,903,000	27.9

## OUR WOOL INDUSTRY.

A glance at our production and imports of wool during recent years, at our sheep census, and at the various prices of wool, will show more clearly than any explanation can convey, the benefits of protection to this great industry of our country. Free wool has been made one of the rallying cries of Free-Traders for many years, and finally after various attempts we were given a tariff in 1894 that carried in its schedules free wool to our manufacturers. The result was most disastrous. Our sheep were killed, our farmers could not get profitable prices for their wool; and during the operation of that tariff we imported from abroad over 800,000,000 pounds, displacing, of course, to that extent the American production. Our manufacturers had free raw material indeed, and yet their mills were closed and their hands were idle and their dividends were passed.

We are only beginning to recover fully from the blow which was dealt to both manufacturers and sheep raisers by the free wool tariff, which was in operation from 1894 to 1897, and yet in the face of that experience our Free-Traders would again, if they had the opportunity, place wool upon the free list.

## Wool Statistics.

June 30—	Production, Pounds.	Imports, Pounds.
1890.....	276,000,000	105,431,285
1891.....	285,000,000	129,303,648
1892.....	294,000,000	148,670,652
1893.....	303,153,000	172,433,838
1894.....	298,057,384	55,152,585
1895.....	309,748,000	206,033,906
1896.....	272,474,708	230,911,473
1897.....	259,153,251	350,852,026
1898.....	266,720,684	132,795,202
1899.....	272,191,330	76,736,209
1900.....	238,636,621	155,928,455
1901.....	302,502,328	103,583,505
1902.....	316,341,032	166,576,966
1903.....	287,450,000	177,137,796
1904.....	291,783,032	173,742,834
1905.....	295,488,438	249,135,746

# NUMBER AND VALUE\* OF SPECIFIED FARM ANIMALS: 1882 TO 1906.

(From annual reports of the Department of Agriculture.)

Jan. 1—	Horses		Mules		Milch cows		Oxen and other cattle		Sheep		Swine		Total value farm animals. Dollars.
	Number.	Value. Dollars.	Number.	Value. Dollars.	Number.	Value. Dollars.	Number.	Value. Dollars.	Number.	Value. Dollars.	Number.	Value. Dollars.	
1882.....	10,521,554	615,824,914	1,835,169	130,945,378	12,611,632	326,489,310	23,280,238	463,069,501	45,016,224	106,595,954	44,122,200	263,543,195	1,906,468,252
1883.....	10,838,119	765,041,308	1,871,079	148,732,390	13,125,635	396,575,405	28,046,077	611,549,109	49,237,291	124,366,335	43,270,086	291,951,221	2,338,215,768
1884.....	11,169,683	833,734,400	1,914,126	161,214,976	13,501,206	423,486,649	29,046,101	683,229,054	50,626,626	119,902,706	44,200,893	246,301,139	2,467,868,924
1885.....	11,564,572	852,282,947	1,972,569	162,497,097	13,904,722	412,903,093	29,866,573	694,382,913	50,360,243	107,960,650	45,142,657	226,401,683	2,456,428,383
1886.....	12,077,657	860,823,208	2,052,593	163,381,096	14,235,388	389,985,523	31,275,242	661,956,274	48,322,331	92,443,867	46,092,043	196,569,894	2,305,159,862
1887.....	12,496,744	901,685,755	2,117,141	167,057,538	14,522,083	378,789,589	33,511,750	663,137,926	44,759,314	89,872,839	44,612,836	200,043,291	2,400,556,938
1888.....	13,172,936	946,096,154	2,191,727	174,853,563	14,856,615	366,252,173	34,378,363	611,750,520	44,544,755	89,279,926	44,346,525	220,811,082	2,409,043,418
1889.....	13,663,294	982,194,827	2,257,574	179,444,431	15,298,424	366,226,376	35,032,417	597,236,812	42,539,079	90,640,369	50,301,592	291,807,193	2,507,050,058
1890.....	14,213,837	978,516,562	2,331,027	182,394,099	15,952,883	353,152,133	36,849,024	560,625,137	44,336,072	100,659,761	51,602,780	243,418,336	2,418,766,028
1891.....	14,056,750	941,823,222	2,296,532	178,847,370	16,019,591	346,397,900	36,875,648	544,127,908	43,421,136	108,297,447	50,625,106	210,193,923	2,329,787,770
1892.....	15,498,140	1,007,593,636	2,314,699	174,882,070	16,416,351	351,378,132	37,651,239	570,749,155	44,938,365	116,121,290	52,398,019	241,031,415	2,461,755,698
1893.....	16,206,802	992,225,185	2,331,128	164,763,751	16,424,087	357,299,785	35,954,196	547,882,204	47,273,553	125,909,264	46,094,807	295,426,492	2,483,506,681
1894.....	16,081,139	769,224,799	2,352,231	146,232,811	16,487,400	358,998,661	36,608,168	536,789,747	45,048,017	89,186,110	45,206,498	270,884,626	2,170,816,754
1895.....	15,893,318	576,730,580	2,333,108	110,927,834	16,504,629	362,601,729	34,364,216	482,999,129	42,294,064	66,885,767	44,165,716	219,501,267	1,819,446,306
1896.....	15,124,057	500,140,186	2,278,946	103,204,457	16,137,586	363,955,545	32,085,409	508,928,416	38,298,783	65,167,735	42,842,759	186,529,745	1,779,926,084
1897.....	14,364,667	452,649,396	2,215,654	92,302,090	15,941,727	369,239,993	30,508,408	507,929,421	36,818,643	67,020,942	40,600,276	166,272,770	1,665,414,612
1898.....	13,960,911	478,362,407	2,190,282	96,109,516	15,840,886	434,813,826	29,264,197	612,296,634	37,656,960	92,721,133	39,759,993	174,351,409	1,888,654,925
1899.....	13,665,307	511,074,813	2,134,213	95,963,261	15,990,115	474,233,925	27,994,225	637,931,135	39,114,453	107,697,530	38,651,631	170,109,743	1,997,010,407
1900.....	13,537,524	603,969,442	2,003,027	111,717,092	16,292,360	514,812,106	27,610,054	689,486,260	41,833,065	122,665,913	37,079,356	185,472,321	2,228,123,134
1901.....	16,744,723	885,200,168	2,864,458	183,232,209	16,833,657	505,093,077	45,500,213	906,644,003	59,756,718	178,072,476	56,982,142	353,012,143	3,011,274,076
1902.....	16,531,224	968,935,178	2,757,017	186,411,704	16,696,802	488,130,324	44,727,797	839,126,073	62,039,091	164,446,091	48,698,890	342,120,780	2,989,170,150
1903.....	16,557,373	1,030,705,959	2,728,088	197,753,327	17,106,227	516,711,914	44,659,206	824,054,902	63,964,876	168,315,750	46,922,624	364,973,688	3,102,515,540
1904.....	16,736,059	1,136,940,298	2,757,916	217,532,832	17,419,817	508,841,489	43,629,498	712,178,134	51,630,144	133,530,099	47,009,367	289,224,627	2,998,247,479
1905.....	17,057,702	1,200,310,020	2,888,710	251,840,378	17,572,464	482,272,203	43,669,443	661,571,308	45,170,423	127,331,850	47,320,511	283,254,978	3,006,580,737
1906.....	18,718,578	1,510,889,906	3,404,061	334,680,520	19,793,865	582,788,592	47,067,656	746,171,709	50,631,619	179,056,144	52,102,847	321,802,571	3,675,389,442

\*The value given is for December 1.

Note.—In estimates for 1901 and subsequent years all due weight has been given to figures of Census.



# DOMESTIC MERCHANDISE EXPORTED, GROUPED ACCORDING TO SOURCES OF PRODUCTION: CENT. OF TOTAL VALUE, 1860, 1870, 1880, AND FROM 1882 TO 1905.

Year ended June 30—	Exports of domestic merchandise other than manufactures.*										Exports of domestic manufactures—		Total ex-ports of domestic mer-chandise.	
	Agriculture—		Mining—		Forest—		Fisheries—		Miscellaneous—		—factory—		Dollars.	Dollars.
	Values.	Per ct.	Values.	Per ct.	Values.	Per ct.	Values.	Per ct.	Values.	Per ct.	Values.	Per ct.		
1860.....	256,560,972	81.13	999,465	0.31	10,299,959	3.26	4,156,480	1.31	3,879,655	1.23	275,896,531	87.24	40,345,892	12.76
1870.....	361,188,483	79.35	5,026,111	1.10	14,897,963	3.27	2,835,508	.62	2,980,512	.66	356,928,577	85.00	68,279,764	12.15
1880.....	635,961,091	83.25	5,863,232	2.11	17,321,263	2.11	5,255,402	.64	721,090,338	87.52	823,946,353	87.52	102,836,015	12.48
1882.....	532,219,819	75.31	8,175,692	1.11	25,580,263	3.50	6,197,752	.85	6,271,859	.85	134,794,346	18.38	733,239,732	18.38
1883.....	619,269,449	77.00	10,446,719	1.30	28,636,199	3.56	6,276,375	.78	5,366,897	.67	669,995,549	83.31	134,228,983	16.69
1884.....	536,315,318	73.98	15,022,255	2.07	26,222,959	3.62	5,614,111	.77	5,417,322	.75	588,591,965	81.19	136,372,887	18.81
1885.....	530,172,966	72.96	15,797,885	2.18	22,014,839	3.03	5,955,122	.82	5,554,607	.76	579,495,419	79.75	147,187,527	20.25
1886.....	484,954,595	72.82	13,654,286	2.05	20,961,708	3.15	5,138,806	.77	5,294,452	.71	529,422,551	79.50	136,541,978	20.50
1887.....	523,073,798	74.41	11,758,662	1.67	21,126,273	3.01	5,155,775	.73	5,173,310	.73	566,287,818	80.55	136,785,105	19.45
1888.....	500,840,086	73.23	17,993,895	2.63	23,991,092	3.51	5,518,552	.82	5,213,392	.76	553,562,017	80.95	130,300,087	19.05
1889.....	532,141,490	72.87	19,947,518	2.73	26,997,127	3.70	7,106,388	.97	5,414,579	.74	591,607,102	81.01	138,675,507	18.99
1890.....	629,820,808	74.51	22,297,755	2.64	29,473,084	3.49	7,458,385	.88	5,141,420	.61	694,191,452	82.13	151,102,376	17.87
1891.....	642,751,344	73.69	22,054,970	2.53	28,715,713	3.29	6,208,577	.71	3,612,364	.41	703,342,968	80.63	168,927,315	19.37
1892.....	798,328,232	78.60	20,692,885	2.75	27,957,423	3.75	5,403,587	.53	3,838,947	.38	856,221,074	84.30	159,510,937	15.70
1893.....	615,382,986	74.05	20,020,026	2.41	28,127,113	3.38	5,541,378	.67	3,936,154	.47	673,007,667	80.98	158,023,118	19.02
1894.....	628,363,038	72.28	20,449,598	2.35	28,000,629	3.22	4,261,920	.49	4,400,944	.52	685,476,129	78.86	183,728,808	21.14
1895.....	553,210,026	69.73	18,509,814	2.33	28,576,235	3.61	5,328,807	.67	4,171,974	.52	609,796,856	76.86	183,595,743	23.14
1896.....	569,879,297	66.02	20,045,654	2.32	33,718,204	3.91	6,850,392	.79	4,135,762	.48	634,629,309	73.52	228,571,178	26.48
1897.....	683,471,139	66.23	20,804,573	2.01	40,489,321	3.92	6,477,951	.63	3,479,228	.34	754,722,212	73.13	277,285,391	26.87
1898.....	853,683,570	70.54	19,410,707	1.60	37,900,171	3.13	5,435,483	.45	3,164,628	.26	919,594,559	75.98	290,697,354	24.02
1899.....	784,776,142	65.19	28,156,174	2.34	42,126,889	3.49	5,992,999	.50	3,266,872	.27	846,339,076	71.79	339,592,146	28.21
1900.....	835,858,123	60.98	37,843,742	2.76	52,218,112	3.81	6,326,620	.46	3,665,218	.34	936,911,845	68.35	438,851,756	31.65
1901.....	943,811,020	64.62	39,207,875	2.68	54,317,294	3.72	7,683,353	.53	4,510,740	.31	1,049,530,282	71.86	410,932,524	28.14
1902.....	851,465,622	62.83	39,216,112	2.90	48,188,661	3.55	7,705,065	.57	5,265,000	.38	951,840,460	70.23	403,641,401	29.77
1903.....	873,322,882	62.73	39,311,239	2.81	57,836,896	4.16	7,805,538	.56	6,429,538	.46	934,705,143	70.72	407,526,159	29.28
1904.....	853,643,073	59.48	45,981,213	3.20	68,906,956	4.80	8,543,676	.60	5,688,178	.40	982,763,096	68.48	452,415,921	31.52
1905.....	820,863,405	55.03	50,968,052	3.42	62,122,378	4.17	7,241,025	.48	6,941,806	.46	948,136,666	63.56	543,607,975	36.44

\*The group "Other than manufactures" embraces substantially all articles crude or only slightly enhanced in value by manufacture.

## OCCUPATIONS OF OUR WAGE EARNERS.

Population at Least 10 Years of Age Engaged in Gainful Occupations, Classified by Sex and Specified Occupations, 1890 and 1900.

OCCUPATION.	1890.	1900-		Total.
	Total.	Male.	Female.	
<i>Agricultural Pursuits.</i>				
Agricultural laborers .....	3,004,061	3,747,668	663,209	4,410,877
Dairymen and dairywomen.....	17,895	9,983	892	10,875
Farmers, planters and overseers....	5,281,557	5,367,169	307,706	5,674,875
Gardeners, florists, nurserymen, etc.	72,601	58,928	2,867	61,788
Lumbermen and raftsmen .....	65,866	71,920	107	72,020
Stock raisers, herders and drovers.	70,729	83,056	1,932	84,988
Turpentine farmers and laborers....	*	24,456	281	24,737
Woodchoppers .....	33,697	35,962	113	36,075
Other agricultural pursuits .....	*19,520	5,287	243	5,530
Totals .....	8,565,926	9,404,429	977,336	10,381,765
<i>Professional Service.</i>				
Actors, professional showmen, etc..	27,783	27,903	6,857	34,760
Architects, designers, draftsmen, etc. ....	17,461	28,483	1,041	29,524
Artists and teachers of art.....	22,496	13,852	11,021	24,873
Clergymen .....	88,203	108,265	3,373	111,638
Dentists .....	17,498	28,858	788	29,644
Electricians .....	†	50,308	409	50,717
Engineers (civil, etc.) and survey- ors .....	†43,239	43,155	84	43,239
Journalists .....	21,849	27,845	2,193	30,038
Lawyers .....	89,630	113,450	1,010	114,460
Literary and scientific persons.....	11,217	13,082	5,984	19,066
Musicians and teachers of music...	62,155	39,815	52,359	92,174
Officials (Government) .....	82,590	78,488	8,119	86,607
Physicians and surgeons .....	104,805	124,615	7,387	132,002
Teachers and college professors, etc.	347,344	118,519	327,614	446,133
Other professional service.....	8,063	11,525	2,339	13,864
Totals .....	944,333	828,163	430,576	1,258,739
<i>Domestic and Personal Service.</i>				
Barbers and hairdressers .....	84,982	125,542	5,574	131,116
Bartenders .....	55,806	88,377	440	88,817
Boarding- and lodging-house keep- ers .....	44,349	11,826	59,455	71,281
Hotelkeepers .....	44,076	46,264	8,533	54,797
Housekeepers and stewards .....	92,036	8,224	146,929	155,153
Janitors and sextons .....	26,538	48,544	8,033	56,577
Laborers (not specified) .....	1,913,373	2,505,287	123,975	2,629,262
Laundresses and laundresses.....	248,462	50,683	335,282	385,965
Nurses and midwives.....	47,586	12,265	108,691	120,956
Restaurant-keepers .....	19,283	28,999	4,845	33,844
Saloon-keepers .....	71,385	81,660	2,086	83,746
Servants and waiters.....	1,454,791	276,958	1,283,763	1,560,721
Soldiers, sailors and marines (U.S.)..	27,919	43,235	.....	43,235
Watchmen, policemen, firemen, etc.	74,629	129,711	879	130,590
Other domestic and personal service	15,597	27,633	6,964	34,597
Totals .....	4,220,812	3,485,208	2,095,449	5,580,657
<i>Trade and Transportation.</i>				
Agents .....	174,582	230,606	10,556	241,162
Bankers and brokers.....	35,968	72,984	293	73,277
Boatmen and sailors.....	76,874	78,253	153	78,406
Bookkeepers and accountants.....	159,374	180,727	74,153	254,880
Clerks and copyists.....	557,358	544,881	85,246	630,127
Commercial travelers.....	58,691	91,973	946	92,919
Draymen, hackmen, teamsters, etc.	368,499	538,029	904	538,933
Foremen and overseers.....	36,084	54,032	1,418	55,450
Hostlers .....	54,036	64,850	79	64,929
Hucksters and peddlers.....	59,083	73,734	2,915	76,649
Livery stable keepers.....	26,757	33,466	190	33,656
Merchants and dealers (except wholesale) .....	660,239	756,802	34,084	790,886
Merchants and dealers (wholesale)...	31,086	42,032	261	42,293
Messengers and errand and office boys .....	51,355	64,959	6,663	71,622
Officials of banks and companies....	†39,900	72,801	1,271	74,072
Packers and shippers.....	24,946	39,557	19,988	59,545
Porters and helpers (in stores, etc.)	24,356	53,625	566	54,191
Salesmen and saleswomen.....	264,394	461,909	149,230	611,139
Steam railroad employees.....	462,213	580,462	1,688	582,150
Stenographers and typewriters.....	33,418	26,246	86,118	112,364
Street railway employees .....	37,434	68,873	46	68,919
Telegraph and telephone linemen...	†11,134	14,757	.....	14,757

\*Turpentine farmers and laborers included in other agricultural pursuits.

†Electricians included in engineers (civil, etc.) and surveyors.

†Includes officials of mining and quarrying companies (number not stated), classified in 1900 with manufacturers and officials under "Manufacturing and mechanical pursuits."

†Includes electric light and power company employees (number not stated), classified in 1900 under "Manufacturing and mechanical pursuits."

## OCCUPATIONS OF OUR WAGE EARNERS.—Continued.

OCCUPATION.	1890.	1900.		Total.
	Total.	Male.	Female.	
<i>Trade and Transportation.—Continued.</i>				
Telegraph and telephone operators.	52,214	52,459	22,556	75,015
Undertakers .....	9,891	15,866	323	16,189
Other persons in trade and transportation .....	16,236	49,734	3,700	53,434
Totals .....	3,326,122	4,263,617	503,347	4,766,964
<i>Manufacturing and Mechanical Pursuits.</i>				
Building Trades.				
Carpenters and joiners.....	618,242	599,707	545	600,252
Masons (brick and stone).....	160,845	160,638	167	160,805
Painters, glaziers and varnishers..	222,233	275,782	1,759	277,541
Paper hangers .....	12,369	21,749	241	21,990
Plasterers .....	39,002	35,649	45	35,694
Plumbers and gas and steam fitters.	61,231	97,659	126	97,785
Roofers and slaters .....	7,043	9,065	2	9,067
Mechanics (not otherwise specified)	15,485	9,351	41	9,392
Chemicals and allied products.				
Oil-well and oil-works employees..	14,771	24,573	53	24,626
Other chemical workers .....	8,256	12,035	2,779	14,814
Clay, glass and stone products.				
Brick and tile makers, etc.....	60,214	49,455	478	49,933
Glassworkers .....	34,282	47,377	2,621	49,998
Marble and stone cutters.....	61,070	54,317	143	54,460
Potters .....	14,928	13,200	2,940	16,140
Fishing and mining.				
Fishermen and oystermen.....	60,162	67,715	462	68,177
Miners and quarrymen .....	387,248	562,501	1,365	563,866
Food and kindred products.				
Bakers .....	60,197	74,860	4,328	79,188
Butchers .....	105,456	113,578	378	113,956
Butter and cheese makers.....	11,211	18,593	648	19,241
Confectioners .....	23,251	21,980	9,214	31,194
Millers .....	52,841	40,362	186	40,548
Other food preparers.....	9,725	23,640	5,142	28,782
Iron and steel and their products.				
Blacksmiths .....	209,581	226,284	193	226,477
Iron and steel workers.....	220,428	287,241	3,370	290,611
Machinists .....	186,828	282,574	571	283,145
Steam boiler makers .....	21,339	33,038	8	33,046
Stove, furnace and grate makers...	8,932	12,430	43	12,473
Tool and cutlery makers.....	17,985	27,376	746	28,122
Wheelwrights .....	12,856	13,495	10	13,505
Wire workers .....	12,319	16,701	1,786	18,487
Leather and its finished products.				
Boot and shoe makers and repairers	214,575	169,393	39,519	208,912
Harness and saddle makers and repairers .....	43,480	39,506	595	40,101
Leather curriers and tanners.....	39,753	40,917	1,754	42,671
Trunk and leather case makers, etc.	6,279	5,472	1,579	7,051
Liquors and beverages.				
Bottlers, soda water makers, etc..	7,230	9,725	794	10,519
Brewers and maltsters .....	20,362	20,687	275	20,962
Distillers and rectifiers .....	3,314	3,114	30	3,144
Lumber and its remanufactures.				
Cabinet makers .....	35,915	35,552	67	35,619
Coopers .....	47,486	37,087	113	37,200
Saw and planing-mill employees..	†138,678	161,251	373	161,624
Other woodworkers .....	†98,151	104,468	6,805	111,273
Metals and metal products other than iron and steel.				
Brass workers .....	\$17,265	25,870	890	26,760
Clock and watchmakers and repairers .....	25,252	19,305	4,815	24,120
Gold and silver workers.....	20,263	19,732	6,380	26,112
Tin plate and tinware makers....	57,525	68,730	1,775	70,505
Other metal workers.....	†37,512	54,282	2,320	56,602
Paper and printing.				
Bookbinders .....	23,858	14,646	15,632	30,278
Boxmakers (paper) .....	17,757	3,796	17,302	21,098
Engravers .....	8,320	10,698	453	11,151
Paper and pulp mill operatives....	27,817	26,904	9,424	36,328
Printers, lithographers and pressmen .....	123,059	139,166	15,981	155,147

†Includes door, sash and blind makers.

†Includes piano and organ tuners (number not stated), classified in 1900 under "Other miscellaneous industries."

‡Brass molders included under "Iron and steel workers."

‡Molders (metals) included under "Iron and steel workers."



## OCCUPATIONS OF OUR WAGE EARNERS.—Continued.

OCCUPATION. <i>Manufacturing and Mechanical Pursuits—(continued).</i>	1890.	-1900-	
	Total.	Male.	Female. Total.
Textiles.			
Bleachery and dye works operatives	14,210	20,493	1,785 22,278
Carpet factory operatives.....	‡22,302	10,371	9,017 19,388
Cotton mill operatives .....	173,142	125,788	120,216 246,004
Hosiery and knitting mill operatives .....	29,555	12,630	34,490 47,120
Silk Mill operatives .....	34,855	22,023	32,437 54,460
Woolen mill operatives .....	84,109	42,566	30,630 73,196
Other textile mill operatives.....	\$108,298	53,437	51,182 104,619
Dressmakers .....	293,504	2,090	344,794 346,884
Hat and cap makers.....	24,013	15,110	7,623 22,733
Milliners .....	61,686	1,739	86,120 87,859
Seamstresses .....	150,044	4,837	146,105 150,942
Shirt, collar and cuff makers.....	21,107	8,491	30,941 39,432
Tailors and tailoresses .....	188,025	160,714	68,935 229,649
Other textile workers .....	‡15,639	8,925	21,042 29,967
Miscellaneous industries.			
Broom and brush makers.....	10,115	8,643	1,577 10,220
Charcoal, coke and lime burners..	8,704	14,405	43 14,448
Engineers and firemen (not locomotive).....	139,765	223,318	177 223,495
Glove makers .....	6,416	4,503	7,768 12,271
Manufacturers and officials, etc.....	‡153,882	239,649	3,433 243,082
Model and pattern makers.....	10,300	14,869	204 15,073
Photographers .....	20,040	23,361	3,580 26,941
Rubber factory operatives.....	16,162	14,492	7,374 21,866
Tobacco and cigar factory operatives .....	111,625	87,955	43,497 131,452
Upholsterers .....	25,666	28,663	2,158 30,821
Other miscellaneous industries....	**211,123	380,490	90,810 471,300
Totals .....	5,678,468	5,772,788	1,313,204 7,085,992
Grand totals .....	22,735,661	23,754,205	5,319,812 29,074,117

‡Includes carpet (rag) makers.

§Includes textile mill operatives (not otherwise specified), and also mill and factory hands for whom the specific branch of industry was not reported.

||Carpet (rag) makers included with factory operatives.

¶Officials of mining and quarrying companies included with officials of banks and companies under "Trade and transportation."

\*\*Electric light and power company employees included with telegraph and telephone linemen under "Trade and transportation," and piano and organ tuners included with piano and organ makers, classified in 1900 under "Other woodworkers."

No nation has ever prospered as we are prospering now, and we must see to it that by our folly we do not mar this prosperity.—President Roosevelt at Union League banquet, Philadelphia, Pa., November 22, 1902.

The nation has appreciated the valor and patriotism of the black men of the United States. They not only fought in Cuba, but in the Philippines, and they are still carrying the flag as the symbol of liberty and hope to an oppressed people.—President McKinley to colored citizens, at Chicago, Oct. 8, 1899.

At all hazards, and no matter what else is sought for or accomplished by changes of the tariff, the American working-man must be protected in his standard of wages—that is, in his standard of living—and must be secured the fullest opportunity of employment.—President Roosevelt at Logansport, Ind., September, 1902.

This is not and never shall be a government of a plutocracy; it is not and never shall be a government by a mob. It is, as it has been and as it will be, a government in which every honest man, every decent man, be he employer or employed, wage-worker, mechanic, banker, lawyer, farmer, be he who he may, if he acts squarely and fairly, if he does his duty by his neighbor and the State, receives the full protection of the law and is given amplest chance to exercise the ability that there is within him, alone or in combination with his fellows, as he desires.—President Roosevelt at Butte, Mont., May 27, 1903.

# SUMMARY OF PRINCIPAL MANUFACTURES, 1890 AND 1900.

(From reports of the Census.)

Industry.	Year.	Number of establishments.	Capital. Dollars.	—Wage earners.— Average number.	Total wages. Dollars.	Cost of materials used. Dollars.	Value of products, including custom work and repairing. Dollars.
Agricultural implements.....	1890	910	145,313,997	38,827	18,107,094	31,603,265	81,271,651
	1900	715	157,707,951	46,532	22,450,880	43,944,628	101,207,428
Blacksmithing and wheelwrighting.....	1890	28,000	34,500,139	26,539	13,499,738	14,645,096	54,304,639
	1900	51,771	54,976,341	36,193	17,974,264	24,701,632	85,971,630
Boots and shoes, factory product.....	1890	2,082	95,282,311	133,690	60,667,145	118,785,831	220,649,358
	1900	1,600	101,795,233	142,922	59,175,883	169,604,054	261,028,580
Bread and other bakery products.....	1890	10,484	45,758,489	38,841	19,120,259	72,507,579	128,421,535
	1900	14,917	81,049,553	60,271	27,893,170	95,221,915	175,657,348
Brick and tile.....	1890	5,828	82,578,566	104,176	29,709,357	12,639,597	67,770,695
	1900	5,423	82,086,438	61,979	21,883,333	11,006,148	51,270,476
Carpentering .....	1890	16,917	81,542,845	122,952	79,355,029	137,847,002	281,195,162
	1900	21,315	71,827,047	123,985	71,049,737	142,419,410	316,101,758
Carriages and wagons.....	1890	8,614	104,210,602	64,259	32,650,301	49,889,173	114,551,907
	1900	7,632	118,187,838	62,540	29,814,911	56,676,073	121,537,276
Cars and general shop construction and repairs by steam railroad companies .....	1890	716	76,192,477	106,632	60,213,433	66,561,526	129,461,698
	1900	1,295	119,473,042	173,595	96,006,570	109,472,353	218,113,658
Cars, railroad and street, and repairs, not including establishments operated by steam railroad companies.....	1890	166	48,460,687	35,148	18,579,304	47,528,561	76,352,199
	1900	193	106,721,188	44,063	23,342,763	70,046,354	107,186,359
Cheese, butter and condensed milk.....	1890	4,712	16,624,163	12,601	4,422,101	51,364,574	62,686,043
	1900	9,355	36,508,015	12,865	6,170,670	109,151,205	131,199,277
Chemicals .....	1890	563	55,032,452	15,038	7,308,411	33,694,927	59,352,548
	1900	459	89,091,430	19,054	9,401,467	34,564,137	62,676,730
Carpets and rugs, other than rag.....	1890	173	28,208,842	28,736	11,122,259	28,644,905	47,770,193
	1900	133	44,449,299	28,411	11,121,383	27,228,719	48,192,351
Clothing, men's.....	1890	18,658	182,552,938	217,270	87,714,314	179,425,661	378,022,815
	1900	28,014	173,034,543	191,043	79,434,932	197,742,067	415,256,391
Clothing, women's, factory product.....	1890	1,224	22,259,528	39,149	15,428,272	34,277,219	68,164,019
	1900	2,701	48,431,544	83,739	32,586,101	84,704,592	159,339,539
Confectionery .....	1890	2,921	23,326,799	21,724	7,783,007	31,116,629	55,997,101
	1900	4,297	35,155,361	33,583	10,867,087	45,634,153	82,290,543
Copper, smelting and refining.....	1890	47	53,563,395	11,324	8,529,021	122,174,129	165,131,670
	1900	905	354,020,843	218,876	66,024,538	154,912,979	267,981,724
Cotton goods.....	1890	1,055	467,240,157	302,861	86,689,752	176,551,527	339,200,320

SUMMARY OF PRINCIPAL MANUFACTURES, 1890 AND 1900—(continued).

Industry.	Year.	Number of establishments.	Capital. Dollars.	Average number.	Wage earners. Total wages. Dollars.	Cost of materials used. Dollars.	Value of products, including custom work and repairing. Dollars.
Electrical apparatus and supplies.....	1890	189	18,997,337	8,802	4,517,050	8,819,498	19,114,714
	1900	580	83,130,943	40,890	20,190,344	48,916,440	91,348,889
Flouring and grist mill products.....	1890	18,470	208,473,500	47,403	18,138,402	434,152,290	513,971,474
	1900	25,258	218,714,104	37,073	17,703,418	475,826,345	560,719,063
Foundry and machine shop products.....	1890	6,509	383,257,473	231,331	129,282,263	171,363,925	413,197,118
	1900	9,324	665,058,245	350,327	182,232,009	286,357,107	644,990,999
Furniture, including cabinet-making, repairing and upholstering.....	1890	5,973	93,642,147	83,587	40,816,566	55,125,830	135,627,332
	1900	7,972	117,982,091	100,018	42,638,310	65,499,877	153,168,309
Gas, illuminating and heating.....	1890	742	258,771,795	12,996	8,499,625	14,037,087	56,987,290
	1900	877	567,000,506	22,459	12,436,296	20,606,356	75,716,693
Hats and caps, not including wool hats.....	1890	705	13,724,002	25,931	12,650,917	16,160,802	37,311,599
	1900	816	25,095,798	31,425	14,144,552	24,421,052	49,205,667
Hosiery and knit goods.....	1890	796	50,607,738	59,588	16,578,119	35,861,585	67,241,013
	1900	921	81,860,604	83,387	24,358,627	51,071,859	95,482,566
Iron and steel.....	1890	645	372,678,018	148,715	78,977,900	295,777,843	430,954,348
	1900	668	573,391,663	222,490	120,820,276	522,398,932	803,968,273
Iron work, architectural and ornamental.....	1890	724	21,968,172	17,158	10,235,701	18,620,510	37,745,294
	1900	672	33,062,409	20,646	11,111,226	31,140,636	53,508,179
Lead, smelting and refining.....	1890	39	72,148,933	8,319	5,088,634	144,195,163	175,466,304
Leather, tanned, curried and finished.....	1890	1,787	98,088,698	42,392	21,249,989	122,946,721	172,136,092
	1900	1,306	173,977,421	52,109	22,591,091	155,000,004	204,038,127
Liquors, distilled.....	1890	440	31,006,176	4,762	2,246,064	14,909,173	104,197,869
	1900	967	32,551,604	3,722	1,733,218	15,147,784	96,798,443
Liquors, malt.....	1890	1,248	232,471,290	30,257	20,713,383	64,003,347	182,731,622
	1900	1,509	415,284,468	39,536	25,826,211	51,674,928	237,269,713
Lumber and timber products.....	1890	22,607	557,775,327	311,886	87,915,659	242,532,098	437,898,942
	1900	33,010	611,429,574	283,179	104,563,603	317,832,865	566,621,755
Lumber, planing mill products, including sash, doors and blinds.....	1890	3,670	120,271,440	42,221	42,221,856	104,926,834	183,681,552
	1900	4,204	119,271,631	73,627	32,685,210	99,927,707	168,343,003
Marble and stone work.....	1890	3,373	37,115,193	31,728	21,342,623	23,868,904	62,595,762
	1900	6,070	67,509,533	54,370	28,663,241	30,443,297	85,101,591
Masonry, brick and stone.....	1890	7,715	54,969,408	110,618	69,311,083	96,207,162	204,165,642
	1900	8,333	48,070,239	93,568	53,152,258	87,280,964	203,593,634
Oil, cotton seed and cake.....	1890	119	12,808,996	5,906	1,493,780	14,363,126	19,335,947
	1900	369	34,451,461	11,007	3,143,459	45,165,823	58,726,632
Painting and paper banging.....	1890	10,043	23,135,781	45,336	28,787,331	23,110,359	74,067,998
	1900	16,939	27,217,086	59,191	34,822,819	26,304,784	88,396,852



# SUMMARY OF PRINCIPAL MANUFACTURES, 1890 AND 1900—(continued).

Industry.	Year.	Number of establishments.	Capital, Dollars.	Average number.	Wage earners.— Total wages, Dollars.	Cost of materials used, Dollars.	Value of products, including custom work and repairing, Dollars.
Paper and wood pulp.....	1890	649	89,829,548	31,050	13,204,828	44,228,480	78,937,184
	1900	763	167,507,713	49,646	20,746,426	70,530,236	127,326,162
Patent medicines and compounds.....	1890	1,127	18,596,823	7,058	2,955,383	11,030,916	32,620,182
	1900	2,026	37,208,793	11,809	4,407,988	18,185,513	59,611,355
Petroleum, refining.....	1890	94	77,416,296	11,403	5,872,467	67,918,723	85,001,198
	1900	67	95,327,892	12,199	6,717,087	102,859,341	123,929,334
Plumbing, and gas and steam fitting.....	1890	5,327	29,335,247	35,457	21,915,314	37,735,671	80,905,925
	1900	11,876	47,111,264	53,916	31,873,866	65,334,689	131,852,567
Printing and publishing.....	1890	16,566	195,387,445	136,836	78,810,319	68,888,915	275,452,515
	1900	22,312	292,517,072	162,992	84,249,954	86,856,239	347,055,050
Rubber and elastic goods.....	1890	139	13,703,787	9,183	3,663,976	11,113,528	18,708,917
	1900	262	39,304,853	20,405	8,082,738	33,485,694	52,627,030
Saddlery and harness.....	1890	7,931	35,346,620	22,672	10,908,918	24,674,225	52,970,801
	1900	12,934	43,354,136	24,123	10,725,647	33,127,926	62,630,902
Shipbuilding .....	1890	1,010	53,393,074	24,811	14,833,977	16,925,109	40,342,115
	1900	1,116	77,362,701	46,781	24,839,163	33,486,772	74,578,158
Shirts .....	1890	869	14,273,611	31,207	9,198,495	15,704,353	33,638,593
	1900	986	20,312,412	38,492	11,425,101	23,662,317	49,022,845
Silk and silk goods.....	1890	472	51,007,537	38,432	17,762,441	51,004,425	87,298,454
	1900	483	81,062,201	65,416	20,982,194	62,406,665	107,256,238
Slaughtering and meat packing, not including retail butchering.....	1890	1,367	118,016,066	44,812	24,668,202	482,897,381	564,667,035
	1900	1,134	190,706,927	69,441	33,923,253	686,860,891	790,252,586
Soap and candles.....	1890	578	24,821,069	7,821	3,416,854	28,687,412	43,600,285
	1900	558	38,068,334	9,487	3,754,767	33,143,230	53,231,017
Sugar and molasses, refining.....	1890	393	24,013,008	7,043	2,385,654	107,758,811	123,118,259
	1900	832	184,245,519	14,262	6,945,811	222,503,741	240,969,905
Tinsmithing, copper-smithing and sheet iron working.....	1890	7,002	38,434,900	31,377	15,610,265	31,217,522	66,653,746
	1900	12,466	55,703,509	45,575	22,155,039	50,329,282	100,310,720
Tobacco, chewing, smoking, and snuff.....	1890	395	30,841,316	29,790	6,947,158	29,192,249	65,843,587
	1900	437	43,856,570	29,161	7,109,821	35,038,287	103,754,362
Tobacco, cigars and cigarettes.....	1890	10,956	59,517,827	87,000	36,475,060	50,298,960	129,693,275
	1900	14,539	67,706,493	103,462	40,925,596	57,946,020	160,223,152
Woolen goods.....	1890	1,311	130,989,940	76,915	26,139,194	82,270,335	133,577,977
	1900	1,035	124,386,262	68,893	24,757,006	71,011,956	118,430,158
Worsted goods.....	1890	143	68,085,116	42,978	14,944,966	50,706,769	79,194,652
	1900	186	132,168,110	57,008	20,092,738	77,075,222	120,314,344

## MANUFACTURES, 1905—ADVANCE SUMMARY.

MANUFACTURES, 1905—ADVANCE SUMMARY.									
Year.	Number of estab- lish- ments.	Capital.	Salaried Officials, —Clerks, etc.—		—Wage-earners.—		Cost of mate- rials used.	Value of prod- ucts, includ- ing custom work and re- pairing.	
			Number.	Salaries.	Average number.	Wages.			
Total for 50 States.....									
1905	216,159	\$12,699,137,824	519,873	\$574,401,449	5,466,856	\$2,609,532,946	\$8,498,169,904	\$14,791,640,348	
1900	207,630	9,000,646,434	363,740	380,476,657	4,701,643	2,005,373,479	6,582,756,329	11,406,923,129	
Per cent. of increase.....									
	4.1	41.1	42.9	51.0	16.3	30.1	29.1	29.7	
Alabama .....									
1905	1,882	105,382,859	3,763	3,867,139	62,172	21,878,451	60,458,368	109,169,922	
1900	1,999	60,110,360	2,257	2,057,571	52,668	14,904,446	37,983,114	72,082,621	
Per cent. of increase.....									
	*5.8	75.3	66.7	87.9	18.0	46.8	59.2	51.4	
Arizona .....									
1905	169	14,395,654	291	471,548	4,793	3,963,248	14,595,057	28,083,192	
1900	154	9,861,514	205	269,304	3,126	2,287,352	7,876,542	20,438,987	
Per cent. of increase.....									
	9.7	46.0	42.0	75.1	53.3	73.3	85.3	37.4	
Arkansas .....									
1905	1,907	46,306,116	2,328	2,309,890	33,088	14,543,635	21,799,346	53,864,394	
1900	1,706	24,275,158	1,484	1,204,824	30,598	9,957,767	17,482,180	38,481,678	
Per cent. of increase.....									
	11.8	90.8	56.9	91.7	8.1	46.0	24.7	40.0	
California .....									
1905	6,839	282,647,201	12,283	14,399,157	100,345	64,656,686	215,726,414	367,218,494	
1900	4,997	175,467,804	6,877	7,495,357	77,224	39,889,997	164,894,269	257,385,521	
Per cent. of increase.....									
	36.9	61.1	78.6	92.1	29.9	62.1	30.8	42.7	
Colorado .....									
1905	1,607	107,743,500	2,680	3,553,843	21,824	15,109,309	63,349,847	100,446,999	
1900	1,323	58,172,865	1,870	2,058,798	19,498	11,707,566	60,750,784	89,067,879	
Per cent. of increase.....									
	21.5	85.2	43.3	72.6	11.9	29.0	4.3	12.8	
Connecticut .....									
1905	3,477	373,283,580	13,523	17,040,351	181,529	87,942,628	191,301,881	369,082,091	
1900	3,382	299,207,925	9,258	11,755,284	139,733	73,394,062	169,671,648	315,106,150	
Per cent. of increase.....									
	2.8	24.8	46.1	45.0	13.6	19.8	12.7	17.1	
Delaware .....									
1905	631	50,925,630	1,451	1,629,251	18,475	8,158,203	24,883,806	41,160,276	
1900	633	38,836,902	1,189	1,336,963	20,562	8,457,003	24,725,317	41,321,061	
Per cent. of increase.....									
	*0.3	31.1	22.0	21.9	*10.1	*3.5	0.6	*0.4	
District of Columbia.....									
1905	482	20,199,783	1,006	1,206,609	6,300	3,658,370	7,731,971	18,359,159	
1900	491	17,960,498	957	871,882	6,155	3,022,906	7,475,216	16,426,408	
Per cent. of increase.....									
	*1.8	12.5	5.1	38.4	2.4	21.0	3.4	11.8	
*Decrease.									

\*Decrease.

## MANUFACTURES, 1905—ADVANCE SUMMARY—Continued.

	Year.	Number of establish- ments.	Salaried Officials,		Wage-earners.—		Cost of mate- rials used.	Value of prod- ucts, includ- ing custom work and re- pairing.
			Capital.	Number.	Average number.	Wages.		
Florida	1905	1,410	\$32,958,481	3,115	41,961	\$15,736,222	\$16,525,214	\$50,241,078
	1900	1,275	25,682,171	1,781	35,471	10,916,443	12,847,587	34,193,509
Per cent. of increase.....		10.6	28.3	74.9	18.3	44.2	28.6	46.9
Georgia	1905	3,219	135,211,551	6,104	92,749	27,392,442	83,624,504	151,040,455
	1900	3,015	79,303,316	3,815	83,336	19,958,153	49,356,296	94,532,368
Per cent. of increase.....		6.8	70.5	60.0	11.3	37.2	68.4	59.8
Idaho	1905	362	9,439,088	352	3,023	2,021,442	3,865,386	8,477,314
	1900	287	2,130,112	92	1,552	818,239	1,438,868	3,001,442
Per cent. of increase.....		26.1	343.1	282.6	94.8	147.9	168.6	182.4
Illinois	1905	14,921	975,844,799	54,521	379,436	208,405,468	840,057,316	1,414,230,238
	1900	14,374	732,829,771	40,964	332,871	159,104,179	681,450,122	1,120,868,308
Per cent. of increase.....		3.8	33.2	33.1	14.0	31.0	23.3	26.2
Indian Territory	1905	460	4,807,799	254	2,030	998,717	4,481,778	7,347,306
	1900	176	1,589,100	93	1,087	379,188	1,703,769	2,628,248
Per cent. of increase.....		161.4	202.5	173.1	86.8	163.4	163.0	179.6
Indiana	1905	7,045	311,526,026	14,865	154,274	72,178,259	220,603,257	394,165,828
	1900	7,128	219,321,080	10,447	139,017	59,280,131	195,162,566	337,071,670
Per cent. of increase.....		*1.2	42.0	42.3	11.0	21.8	13.0	16.9
Iowa	1905	4,788	111,444,929	7,124	49,482	22,997,773	102,871,844	160,604,161
	1900	4,859	87,432,734	5,159	44,106	17,926,874	86,276,842	132,911,097
Per cent. of increase.....		*1.5	27.5	38.1	12.2	28.3	19.2	20.8
Kansas	1905	2,472	94,945,720	3,714	35,105	18,659,279	155,352,006	196,473,117
	1900	2,301	59,457,481	3,612	27,989	12,795,331	120,745,304	154,006,304
Per cent. of increase.....		7.4	59.7	2.8	29.6	45.8	28.7	27.6
Kentucky	1905	3,737	147,282,478	5,853	59,794	24,438,684	86,545,464	150,753,968
	1900	3,648	87,995,822	4,356	51,735	18,454,252	67,406,202	126,508,660
Per cent. of increase.....		2.4	67.4	34.4	15.6	32.4	28.4	26.3

\*Decrease.



## MANUFACTURES, 1905—ADVANCE SUMMARY—Continued.

	Year.	Number of establish- ments.	Salaried Officials,		Wage-earners.		Cost of mate- rials used.	Value of prod- ucts, includ- ing custom work and re- pairing.
			Capital.	(Number. Clerks, etc. Salaries.)	Average number.	Wages.		
Louisiana .....	1905	2,091	\$150,810,608	5,977	55,862	\$25,315,750	\$117,035,305	\$186,379,592
Per cent. of increase.....	1900	1,826	100,874,729	3,576	40,838	14,719,045	75,403,927	111,397,919
		14.5	49.5	67.1	36.8	72.0	55.2	67.3
Maine .....	1905	3,145	143,707,750	3,772	74,958	32,691,759	80,042,090	144,020,197
Per cent. of increase.....	1900	2,877	113,526,283	3,013	69,639	25,636,735	60,853,327	112,303,008
		9.3	26.6	25.2	7.6	27.5	31.5	28.2
Maryland .....	1905	3,852	201,877,966	8,624	94,174	36,144,244	149,747,334	243,375,996
Per cent. of increase.....	1900	3,827	149,555,593	6,702	92,816	32,076,196	129,267,386	210,343,559
		0.7	35.0	28.7	1.5	12.7	15.8	15.7
Massachusetts .....	1905	10,723	965,948,887	32,824	488,399	232,389,186	626,410,431	1,124,092,651
Per cent. of increase.....	1900	10,929	781,867,715	28,256	438,234	196,278,276	498,653,083	907,626,439
		*1.9	23.5	30.0	11.4	19.0	25.6	23.8
Michigan .....	1905	7,446	337,894,102	17,285	175,229	81,278,837	232,516,553	429,099,773
Per cent. of increase.....	1900	7,410	269,929,181	13,976	141,535	57,279,269	182,670,680	319,436,458
		0.5	25.2	31.8	23.8	41.9	27.3	34.3
Minnesota .....	1905	4,759	184,302,165	9,117	69,396	35,705,878	210,450,422	307,607,893
Per cent. increase.....	1900	4,096	133,543,069	6,645	69,538	30,825,098	150,539,908	224,277,206
		16.2	38.0	37.2	*0.2	15.8	39.8	37.2
Mississippi .....	1905	1,520	50,250,339	2,688	38,691	14,819,034	25,800,885	57,451,445
Per cent. of increase.....	1900	1,294	22,712,186	1,260	26,799	7,909,607	16,543,029	33,718,517
		17.5	121.2	113.8	44.4	87.4	56.0	70.4
Missouri .....	1905	6,456	377,648,595	17,068	132,994	66,450,628	251,497,737	438,388,109
Per cent. of increase.....	1900	6,736	223,579,048	12,474	107,621	46,674,669	184,115,590	316,077,334
		*4.2	68.9	36.8	23.6	42.4	55.7	38.7
Montana .....	1905	382	52,589,810	905	8,957	8,652,217	40,930,060	66,415,452
Per cent. of increase.....	1909	395	38,224,915	508	9,854	7,276,822	30,068,101	52,744,597
		*3.3	37.6	78.1	*9.1	17.3	36.1	25.9

\*Decrease.

## MANUFACTURES, 1905—ADVANCE SUMMARY—Continued.

	Year.	Number of establish- ments.	Salaried Officials,		Wage-earners.		Cost of mate- rials used.	Value of prod- ucts, includ- ing custom work and re- pairing.
			Capital.	Clerks, etc. Number.	Average number.	Wages.		
Nebraska	1905	1,819	\$80,235,310	3,192	20,241	\$11,022,149	\$124,051,628	\$154,918,220
	1900	1,707	66,002,312	2,296	18,660	8,839,995	95,939,151	130,316,836
Per cent. of increase.		6.6	21.6	39.0	8.5	24.7	29.3	18.9
Nevada	1905	115	2,891,997	106	802	693,407	1,627,776	3,096,274
	1900	99	1,251,208	37	504	352,606	662,284	1,261,005
Per cent. of increase.		16.2	131.1	186.5	59.1	96.6	145.8	145.5
New Hampshire	1905	1,617	109,464,609	2,663	65,441	27,670,087	72,984,399	124,289,904
	1900	1,771	92,146,025	2,068	67,646	25,849,631	60,163,380	107,590,803
Per cent. of increase.		*8.7	18.8	28.8	*3.2	7.0	21.3	15.5
New Jersey	1905	7,011	716,046,545	23,198	266,387	128,192,633	470,554,500	774,619,025
	1900	6,415	477,301,565	15,361	213,975	95,164,913	334,726,094	553,005,684
Per cent. of increase.		9.3	50.0	51.0	24.5	34.7	40.6	40.1
New Mexico	1905	199	4,638,218	224	3,478	2,152,068	2,235,934	5,705,880
	1900	174	2,263,858	88	2,490	1,199,496	1,998,593	4,060,924
Per cent. of increase.		14.4	104.9	154.5	39.7	79.5	11.9	40.5
New York	1905	37,195	2,031,453,515	98,512	857,683	430,014,851	1,348,603,286	2,488,345,579
	1900	35,959	1,524,542,451	68,038	726,948	337,348,979	1,018,729,117	1,872,286,142
Per cent. of increase.		3.4	33.2	44.8	18.0	27.5	32.4	32.8
North Carolina	1905	3,272	141,000,639	4,072	85,339	21,375,294	79,174,996	142,520,776
	1900	3,465	68,283,005	2,894	72,322	14,051,784	44,854,224	85,274,083
Per cent. of increase.		*5.6	106.5	40.7	18.0	52.1	76.5	67.1
North Dakota	1905	507	5,703,837	296	1,755	1,031,307	7,095,986	10,223,914
	1900	337	3,511,968	152	1,358	671,321	4,150,860	6,239,840
Per cent. of increase.		50.4	62.4	94.7	29.2	53.6	71.0	63.3
Ohio	1905	13,785	856,988,830	39,991	364,299	182,429,425	527,636,585	960,811,857
	1900	13,868	570,908,968	28,109	308,109	136,427,579	409,310,222	748,670,855
Per cent. of increase.		*0.6	50.1	42.3	18.2	33.7	28.9	28.3

\*Decrease.

	Year.	Number of establish- ments.	Capital.	Salaried Officials, Clerks, etc.— Number.	Average number.	Wage-earners.— Wages.	Cost of mate- rials used.	Value of prod- ucts, includ- ing custom work and re- pairing.
Oklahoma .....	1905	657	\$11,074,267	535	3,192	\$1,652,124	\$11,436,269	\$16,433,430
	1900	314	2,544,088	176	1,274	512,509	3,751,338	5,502,069
Per cent. of increase.....	109.2		335.3	204.0	150.5	222.4	204.8	198.7
Oregon .....	1905	1,601	43,999,548	1,769	18,568	11,439,512	30,463,113	55,359,498
	1900	1,406	28,359,089	1,143	14,459	6,822,011	20,788,833	36,592,714
Per cent. of increase.....	13.9		55.2	54.8	28.4	67.7	46.5	51.3
Pennsylvania .....	1905	23,493	2,011,787,636	65,980	73,171,555	367,708,830	1,141,608,728	1,952,510,545
	1900	23,654	1,450,780,572	43,397	665,139	298,155,611	958,692,489	1,652,024,849
Per cent. of increase.....	*0.7		38.7	50.0	14.6	23.3	19.1	18.2
Rhode Island.....	1905	1,617	215,901,375	5,420	97,128	43,112,337	112,769,261	202,109,583
	1900	1,678	176,901,606	4,022	88,197	35,995,101	87,951,780	165,550,382
Per cent. of increase.....	*3.6		22.0	34.8	10.1	19.8	28.2	22.1
South Carolina.....	1905	1,399	113,422,224	2,389	59,442	13,868,950	49,968,626	79,376,262
	1900	1,369	62,750,027	1,419	47,025	9,130,269	30,485,861	53,335,811
Per cent. of increase.....	2.2		80.8	68.4	26.4	51.9	63.9	48.8
South Dakota.....	1905	685	7,582,142	441	2,491	1,421,180	8,696,539	13,083,253
	1900	624	6,051,288	288	2,224	1,129,787	6,483,677	9,529,946
Per cent. of increase.....	9.8		25.3	53.1	12.0	25.8	34.1	37.3
Tennessee .....	1905	3,175	102,439,481	4,930	60,542	22,810,828	79,351,746	137,960,476
	1900	3,116	63,140,657	3,329	45,963	14,727,506	54,559,039	92,749,129
Per cent. of increase.....	1.9		62.2	48.1	31.7	54.9	45.4	48.7
Texas .....	1905	3,158	115,664,871	5,778	49,061	24,468,942	91,603,630	150,528,389
	1900	3,107	63,655,616	2,861	38,604	16,911,681	54,388,303	92,894,433
Per cent. of increase.....	1.6		81.7	102.0	27.1	44.7	68.4	62.0
Utah .....	1905	605	26,001,211	979	8,039	5,157,400	24,939,349	38,925,877
	1900	575	13,219,039	599	5,413	2,762,522	11,500,200	18,041,248
Per cent. of increase.....	5.2		96.7	63.4	48.5	86.7	116.9	115.8

\* Decrease.



## MANUFACTURES, 1905—ADVANCE SUMMARY—Continued.

	Year.	Number of estab- lish- ments.	Capital.	Salaried Officials, Clerks, etc.		Wage-earners.		Cost of mate- rials used.	Value of prod- ucts, includ- ing custom work and re- pairing.
				Number.	Salaries.	Average number.	Wages.		
Vermont	1905	1,699	\$62,658,741	2,053	\$2,102,708	33,116	\$15,221,659	\$22,429,852	\$61,083,611
	1900	1,938	42,499,640	1,695	1,610,514	28,179	11,426,548	26,327,146	51,515,228
Per cent. of increase.	.....	*212.3	47.4	21.1	30.6	17.5	33.2	53.2	22.5
Virginia	1905	3,187	147,989,182	4,970	4,874,806	80,256	27,943,058	83,649,149	148,856,525
	1900	3,186	92,299,589	3,828	3,629,609	66,224	20,273,889	59,359,484	108,644,150
Per cent. of increase.	.....	(†)	60.3	29.8	34.3	21.2	37.8	40.9	37.0
Washington	1905	2,751	96,952,621	3,558	4,092,919	45,199	30,087,287	66,166,165	128,821,667
	1900	1,926	41,574,744	2,103	2,063,443	31,523	17,065,140	38,276,944	70,831,345
Per cent. of increase.	.....	42.8	133.2	73.9	98.4	43.4	76.3	72.9	81.9
West Virginia	1905	2,103	86,716,668	2,888	2,893,630	43,694	21,130,042	54,362,216	98,898,857
	1900	1,824	49,103,138	1,744	1,519,290	33,080	12,639,856	37,225,253	67,006,822
Per cent. of increase.	.....	15.3	76.6	65.6	90.5	32.1	67.2	46.0	47.6
Wisconsin	1905	8,558	416,447,051	14,220	15,498,332	151,391	71,471,805	227,255,092	411,139,681
	1900	7,841	286,060,566	10,450	10,492,562	137,525	55,695,816	185,695,393	326,752,278
Per cent. of increase.	.....	9.1	45.6	35.7	47.7	10.1	28.3	22.4	25.8
Wyoming	1905	169	2,695,889	172	196,406	1,834	1,271,022	1,300,773	3,523,260
	1900	139	2,048,083	87	90,647	2,060	1,139,323	1,369,730	3,268,555
Per cent. of increase.	.....	21.6	31.6	97.7	116.7	*11.0	6.9	*5.0	7.8

\*Decrease.

†Less than one-tenth of 1 per cent.

It should be understood that the figures in the foregoing six tables are confined to the manufacturing establishments with a product of \$500 or over, excluding the neighborhood industries and hand trades, such as the building trades, dressmaking, custom millinery, custom sawing and grinding, cobbling and blacksmithing.

## STATISTICS OF THE AMERICAN IRON TRADE FOR 1905.

## General Statistical Summary.

The following table gives the shipments in 1904 and 1905 of Lake Superior iron ore, the shipments of coke and of anthracite coal, the total production of all kinds of iron and steel, the imports and exports of iron and steel, etc. The statistics of the production of iron ore, coal, and coke in 1905 have not been received from the Geological Survey in time for this report.

Articles—Gross tons, except for coke and nails.	1904.	1905.
Shipments of iron ore from Lake Superior.....	21,822,839	34,353,456
Total production of iron ore.....	27,644,330	.....
Shipments of Pennsylvania anthracite coal.....	57,492,522	61,410,201
Total production of all kinds of coal.....	314,562,831	.....
Total production of coke, in net tons.....	23,621,520	.....
Shipments of Connellsville coke, in net tons.....	12,427,468	17,896,526
Shipments of Pocahontas Flat Top coke, in net tons..	1,617,801	2,156,805
Production of pig iron, including spiegel and ferro...	16,497,033	22,992,380
Production of spiegel, ferro-mang., ferro-phos., etc..	220,392	293,976
Production of Bessemer steel ingots and castings.....	7,859,140	10,941,375
Production of open-hearth steel ingots and castings..	5,908,166	8,971,376
Production of all kinds of steel ingots and castings..	13,859,887	20,023,947
Production of structural shapes, not including plates..	949,146	1,660,519
Production of plates and sheets, except nail plate....	2,421,398	3,532,230
Production of iron and steel wire rods.....	1,699,028	1,808,688
Production of all rolled iron and steel, except rails..	9,728,670	13,464,086
Production of Bessemer steel rails.....	2,137,957	3,192,347
Production of all kinds of rails.....	2,284,711	3,375,929
Production of all rolled iron and steel, including rails.	12,013,381	16,840,015
Production of iron and steel cut nails, in kegs.....	1,283,362	1,357,549
Production of iron and steel wire nails, in kegs.....	11,926,661	10,854,892
Imports of iron ore.....	487,613	845,651
Exports of iron ore.....	213,865	208,058
Imports of iron and steel, foreign value.....	\$21,621,970	\$26,352,728
Exports of iron and steel, home value.....	\$128,553,613	\$142,928,513
Miles of new railroad built (estimated for 1905).....	5,003	5,000
Tonnage of steel vessels built in the calendar year..	160,809	248,766

The table shows that the increase in the production of pig iron in 1905 over 1904 was 6,495,347 tons; in Bessemer steel ingots and castings, 3,082,235 tons; in open-hearth steel ingots and castings, 3,063,210 tons; and in all kinds of steel ingots and castings, 6,164,060 tons. In all kinds of rails there was an increase of 1,091,218 tons; in structural shapes, 711,373 tons; in plates and sheets, 1,110,832 tons; in wire rods, 109,660 tons; and in cut nails and cut spikes, 74,187 kegs. The increase in all forms of finished rolled iron and steel amounted to 4,826,634 tons.

The present phenomenal prosperity has been won under a tariff which was made to protect the interests of the American producer, business man, wage-worker, and farmer alike.—President Roosevelt at Minneapolis, April 4, 1903.

We freely extend the hand of welcome and of good-fellowship to every man, no matter what his creed or birthplace, who comes here honestly intent on becoming a good United States citizen like the rest of us.—President Roosevelt, on "True Americanism," in his book on American Ideals, p. 45.

Corporations that are handled honestly and fairly, so far from being an evil, are a natural business evolution and make for the general prosperity of our land. We do not wish to destroy corporations, but we do wish to make them subserve the public good.—President Roosevelt at Cincinnati, Ohio, September 20, 1902.

During the seven years that have just passed there is no duty, domestic or foreign, which we have shirked; no necessary task which we have feared to undertake, or which we have not performed with reasonable efficiency. We have never pleaded impotence. We have never sought refuge in criticism and complaint instead of action. We face the future with our past and our present as guarantors of our promises; and we are content to stand or to fall by the record which we have made and are making.—President Roosevelt's speech accepting 1904 nomination.

## Production and Prices of Bessemer Steel Rails in the United States.

The following table gives the annual production of gross tons of Bessemer steel rails in the United States from 1867 to 1905, together with their average annual price at the works in Pennsylvania and the rates of duty imposed by our Government at various periods on foreign steel rails. Prices are given in currency:

Years.	Gross tons.	Price.	Duty.
1867.....	2,277	\$166.00	45 per cent. ad valorem to January 1, 1871.
1868.....	6,451	158.50	
1869.....	8,616	132.25	
1870.....	30,357	106.75	
1871.....	34,152	102.50	
1872.....	83,991	112.00	\$28 per ton from January 1, 1871, to August 1, 1872; \$25.20 from August 1, 1872, to March 3, 1875; \$28 from March 3, 1875, to July 1, 1883.
1873.....	115,192	120.50	
1874.....	129,414	94.25	
1875.....	259,699	68.75	
1876.....	363,269	59.25	
1877.....	385,865	45.50	\$17 per ton from July 1, 1883, to October 6, 1890.
1878.....	491,427	42.25	
1879.....	610,632	48.25	
1880.....	852,196	67.50	
1881.....	1,187,770	61.13	
1882.....	1,284,067	48.50	\$13.44 per ton from October 6, 1890, to August 28, 1894.
1883.....	1,148,709	37.75	
1884.....	996,983	30.75	
1885.....	959,471	28.50	
1886.....	1,574,703	34.50	
1887.....	2,101,904	37.08	\$7.84 per ton from August 28, 1894.
1888.....	1,386,277	29.83	
1889.....	1,510,057	29.25	
1890.....	1,867,837	31.75	
1891.....	1,293,053	29.92	
1892.....	1,537,588	30.00	
1893.....	1,129,400	28.12	
1894.....	1,016,013	24.00	
1895.....	1,299,628	24.33	
1896.....	1,116,958	28.00	
1897.....	1,644,520	18.75	
1898.....	1,976,702	17.62	
1899.....	2,270,585	28.12	
1900.....	2,383,654	32.29	
1901.....	2,870,816	27.33	
1902.....	2,935,392	28.00	
1903.....	2,946,756	28.00	
1904.....	2,137,957	28.00	
1905.....	3,192,347	28.00	

## Our Foreign Trade.

An analysis of the exports and imports of the United States for the fiscal year ended June 30, 1906, shows that compared with the previous year the exports of agricultural products increased \$148,382,867, and of manufactured articles \$59,607,593. Of the imports, food products alone of the various classes show a decrease, the amount of loss being \$18,466,376.

The totals under the several clauses and the gains and losses compared with the year 1904-05 are:

### EXPORTS.

		Increase.
Agricultural products .....	\$969,457,306	\$148,382,867
Manufactured articles .....	603,227,836	59,607,593
Mineral products .....	55,055,261	52,408,814
Forestry products .....	75,512,511	15,413,412
Miscellaneous .....	16,700,668	2,396,055
Re-exports .....	25,911,118	*1,805,907
Total .....	\$1,743,864,309	\$225,302,834

### IMPORTS.

Food products .....	\$225,157,969	*\$16,466,376
Unmanufactured articles .....	416,856,156	29,384,735
Partly manufactured .....	175,445,385	32,293,340
Wholly manufactured .....	206,457,043	40,576,961
Luxuries, etc. ....	175,046,290	25,282,053
Total .....	\$1,226,063,843	\$109,000,772

\*Decrease.



## Tin Plate Industry.—Wire Nails.

Perhaps there is no single American industry which has been so much considered during the past few years as the tin plate industry. This is not due so much to the importance of that industry as compared with other industries of our country, but more because of the assault made upon the imposition of a duty by the McKinley bill, and the most emphatic example of the immediate and substantial workings of a Protective Tariff, which has been afforded by the rapid and successful establishment of that industry.

Going back to 1864 we find that in that year a duty of 2 1-2 cents per pound was fixed on tin plate, the wording being as follows:

"On the tin plate, and iron galvanized or coated with any metal by electric batteries or otherwise, two and one-half cents per pound."

On July 22 of that year, William Pitt Fessenden, the Secretary of the Treasury, rendered a decision which is embraced in the following letter to Hiram Barney, Collector of the Port of New York.

"It would appear that an error of punctuation was made by some one; most probably a clerk who engrossed that part of the act. If the comma which ' inserted after the word "plate" be omitted, and a comma be placed after the word "iron," the true sense will be had, which unquestionably is, that tin plates, as well as iron, must be galvanized or coated with any metal by electric batteries or otherwise, in order to bring them within the provision."

The same Tariff law contained a clause which read as follows:

"Tin in sheets or plates, terne and taggers' tin, 25 per cent. ad valorem."

Tin plate consequently was made subject to an ad valorem duty of twenty-five per cent. instead of two and one-half cents per pound. No attempt, therefore, was made to manufacture tin plates in this country, until 1873, when four mills were started and an attempt to establish the industry developed the fact that we could make just as good tin plate in this country as we had been importing. At that time the price of tin plate was from \$11 to \$12 per box of one hundred pounds. The American manufacture was, however, no sooner found to be a success than the Welsh manufacturers reduced their price from \$12 a box to \$4.50 a box. The result was that our mills were closed, and that as soon as this happened the foreigners again put up their price, and for nearly twenty years we paid whatever they chose to demand. The McKinley law of 1890, however, imposed a duty of 2.2 cents per pound, although that clause of the bill did not go into effect till July 1, 1891. The result of that duty is most clearly seen in the following tables:

First, let us see about these thousands of concerns which it has interfered with or ruined; let us find out how many canning factories were compelled to reduce wages, and discharge hands, and pay lower prices for vegetables and fruits. Let us look into this enormous loss to the farmers. It must be remembered that in 1890 we had no tin plate industry in this country; that we were importing all we used. Let it be remembered also that ten years later the industry was firmly established in this country, and that we were making almost our entire consumption. The following from the Census of 1900 shows the condition of our canning and preserving industry in fruits and vegetables in 1890 and 1900:

	1900.	1890.
Number of establishments .....	1,808	886
Wages .....	\$8,050,793	\$4,651,317
Cost of material .....	37,527,297	18,665,163
Value of products .....	56,668,313	29,862,416

In 1905 the increases over 1900 were:

	Per cent. gain.
Capital .....	63
Wages .....	26
Value of product .....	10
Amount of product .....	22

The following shows the canning and preserving industry as regards fish for the two dates 1890 and 1900:

	1900.	1890.
Number of establishments .....	348	119
Wages .....	\$4,229,638	\$1,123,143
Cost of materials .....	13,232,001	4,710,399
Value of product .....	22,253,749	6,972,218

The following shows our exports of fish, fruit and vegetables, canned or preserved, in 1890 and 1900:

	1900.	1890.
Fruits .....	\$5,438,577	\$1,207,481
Fish .....	4,019,450	3,593,522
Vegetables .....	1,099,830	466,494
	<hr/> \$10,557,857	<hr/> \$5,267,491

Surely these figures do not sustain the assertion that our canning industries have been interfered with and ruined. The fact of the matter is, that few industries in this or any other country can show the great progress and advance which is shown by our canning factories since we began to make our own tin plate.

Now, as to the tin plate industry itself. The following table will give at a glance its whole history:

#### Production and Importation of Tin Plate.

Year.	Imports. Gross tons.	Production. Gross tons.	Import price, cents, pound.	Year.	Imports. Gross tons.	Production. Gross tons.	Import price, cents, pound.
1890.....	329,425	None.	3	1898.....	66,775	326,915	2.2
1891.....	327,882	999	3	1899.....	58,915	360,875	2.3
1892.....	268,472	18,803	2.9	1900.....	66,055	302,665	3.2
1893.....	253,155	55,182	2.8	1901.....	52,625	399,291	3.2
1894.....	215,068	74,260	2.6	1902.....	88,837	360,000	3
1895.....	219,545	113,666	2.4	1903.....	48,931	480,000	2.9
1896.....	119,171	160,362	2.3	1904.....	56,656	458,000	2.7
1897.....	83,851	256,598	2.3	1905.....	71,904	493,500	2.3

McKinley law duty, 2 2-10 cents per pound, went into effect July 1, 1891. Wilson-Gorman law duty, 1 1-5 cents; Dingley law duty, 1½ cents.

Just why Free-Traders in the United States have always had such an aversion to American tin plate has never been determined, unless it is such a perfect example of the benefit of a Protective Tariff that it has been assailed for that reason.

It will be remembered how, in 1893, when Mr. Lascelles Carr, editor of the Cardiff, Wales "Western Mail," visited this country for the purpose of looking into our tin plate works, President Cleveland said to him:

"Well, Mr. Carr, when you find them be sure and let me know their exact locality, for we have been searching for these tin plate works for some years and have failed to find them."

Although the industry had not then been fully established, yet we were actually turning out more than a million boxes annually, and the prices had already dropped considerably. It may be said in conclusion, that we have not only established this industry in the United States sufficiently to meet all our own requirements, but we are now making goods for export trade; that we are paying wages to American workmen in excess of \$20,000,000 a year, because of this industry; that these workmen are individually earning \$2.00 and \$3.00 a day, against less than half this amount in Wales for the same work, and that we are paying no more for our tin, either for roofing, canning or for any other purpose, than we would have been paying had we been at the mercy of foreign trusts instead of our own. The peculiarities of the industry are such that it is confined for the most part to one locality, and there is a community of interest between the different establishments which conserves to both economy in production, to better material and to higher wages of workmen, without any increase of prices, excepting as the price of material may fluctuate.

From Speech of Hon. Charles B. Landis in House of Representatives May 23, 1906.

Abraham Lincoln made the best tariff speech ever recorded when he said:

"I do not know much about the tariff, but I know this much, when we buy manufactured goods abroad we get the goods and the foreigner gets the money. When we buy the manufactured goods at home we get both the goods and the money."

That is the whole protective theory in a nutshell. Up to the enactment of the McKinley law we sent \$20,000,000 abroad each year for tin plate. We got the tin plate and Great Britain got the \$20,000,000.

Last year, and indeed for several years, we made in our own factories all the tin plate we consumed. In other words, under our policy, Lincoln's policy and McKinley's policy, we got both the tin plate and the money—the American consumer got the tin plate and the American laborer and American manufacturer got the money. And the price of tin plate did not advance.

The draining of this country of money, which is the case under low-tariff laws, is what makes it poor and weak. The gold and silver of a nation is its lifeblood. Take it away by the million to pay for goods manufactured abroad and you sap our nation's strength, just as you sap an individual's strength if you tap an artery. Under a low Democratic tariff we send away our money—our blood. Under a Republican protective tariff we are getting new blood all the time, because, as a rule, the balance of trade is in our favor. Read the messages of our Presidents back in the fifties and you will see that they tell how, under the low Walker tariff, the millions of gold mined in California went in one ceaseless current abroad to pay for manufactured goods. We are now keeping that gold, the nation's lifeblood, at home where it belongs.

In speaking of having both the tin plate and the money that went into its manufacture under the policy of protection, I called attention to the fact that the price of tin plate was, at the same time, no higher to the consumer. American inventive skill and genius and competition always come to the rescue when the American manufacturer and American laborer are given a chance by the protective tariff. The gentleman from Mississippi [Mr. Williams] contends that the price of the article that is manufactured, if protected by the tariff, is always higher. This assertion is absolutely without foundation. Inventive genius and competition almost invariably reduce the price. Our experience with wire nails shows how it works and explodes absolutely Mr. Williams's theory. In 1883 there were no wire nails produced in this country. They were then selling at \$6 a keg. We manufactured that year 50,000 kegs, when a tariff of \$4 a keg was placed upon wire nails. In 1884 we manufactured 75,000 kegs, and the price dropped to \$5 a keg. In 1885 we manufactured 290,000 kegs, and the price dropped to \$4 a keg, which was exactly the tariff duty. In 1886 we manufactured 500,000 kegs, and the price dropped to \$3.40 a keg. In 1887 we manufactured 700,000 kegs, and the price dropped to \$3.30 a keg. In 1888 we manufactured 2,000,000 kegs, and the price dropped to \$2.60 a keg. In 1888 we made over 2,800,000 kegs, and the price dropped to \$2.10 a keg. And all this time the duty was \$4 per keg. The average price in 1905, the last available report was \$1.93.

That is an excellent illustration of the way Republican protection works. It is exactly the same as the working of the McKinley tariff on tin plate, which built up the tin-plate industry from nothing to an aggregate value of \$20,000,000 a year.

Republican protection not only protects, it builds up. It gives employ to American workmen. It secured to Americans the control of the markets of their own country. It affords to American labor a standard of wages far above the wages of any other people under the sun.

But, you ask, why keep the tariff on if wire nails are selling for less than the tariff?

I answer you that we must keep the tariff on to protect this



country from being made a dumping ground for the surplus products of the nail mills of all the other countries on earth.

We needed the protective tariff, first, to enable us to build the factory. Now that we have the factory running, we need a protective tariff to protect the American market and the laborer who is working in this American factory; and we will continue to need it until the American laborer is willing to work for the low wages paid the foreign laborer. To my mind nothing is clearer.

### IRON AND STEEL COMPARISONS.

From Report of the British Tariff Commission, 1904.

(1) At the end of the seventies, the total amount of pig iron produced in the United Kingdom was nearly six and three-quarters million tons, that is, as much as the total production of the five iron-producing countries next in importance, and no less than 45 per cent. of the total production of the world.

(2) At the end of the eighties, the total amount of pig iron produced in all countries had increased by 59 per cent., but that of the United Kingdom by only 17 per cent. Germany and the United States, on the other hand, had increased their production by 93 per cent. and 175 per cent. respectively.

(3) Early in the nineties, the United Kingdom lost the pre-eminence it had enjoyed for more than 100 years, and the United States took the first place. Since then, the United Kingdom has been overtaken by Germany and has now fallen to the third place, while the total production of the United States is only just less than that of the United Kingdom and Germany together.

(4) In the United Kingdom, the production of pig iron has just kept pace with the increase of population. In Germany and the United States, the increase in production has been continuous and much more rapid than the increase of population. Of the six periods of years under review, three show a diminution of production as compared with the immediately preceding period in the case of the United Kingdom, while in the case of the United States and Germany each period has marked a considerable advance on the preceding period.

(5) If we turn to the consumption of pig iron, we find that the United Kingdom is now third among the iron-consuming countries.

(6) Thus, whatever test we apply, we find that the pig iron industry of the United Kingdom is almost stationary, and all the principal districts of the United Kingdom where it is carried on are alike affected.

The results in the case of steel are, if possible, even more striking than in the case of pig iron:—

(1) In the period of 1876-80, the quantity of steel annually produced in the United Kingdom was one-third of the total quantity produced by all countries; it is now less than one-seventh. The United States on the other hand has increased its share of the total production of steel from about one-quarter to two-fifths and Germany from one-sixth to more than one-fifth.

(2) If we take consumption of steel per head of the population the increase in the case of the United Kingdom is from 64 pounds to 253 pounds, but in the case of the United States, the increase is from 37 pounds to 404 pounds, and in Germany, from 25 pounds to 282 pounds.

(3) While the steel requirements of the world are rapidly increasing, the steel industry of the United Kingdom is almost stationary, and the steel industry, both of the United States and Germany, is rapidly progressing.

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Protection secures to the American workman at least one market—the market of the greatest consuming nation on earth. Protection secures to the American farmer at least one market—the market of the greatest manufacturing nation on earth. Free trade secures no market either to manufacturing or agriculture.—Senator Geo. F. Hoar.

## Protection to Woolen Industry.

One of the witnesses who testified before the Industrial Commission was William G. Steel of Philadelphia. His experience is that of many of our manufacturers who have been compelled to close their mills, even to moving to England and moving back, according as free trade or protection prevailed in this country. The following portion of his testimony, given verbatim, will be found not only interesting, but instructive:

Q. How long have you been engaged in the manufacture in this country? A. Since 1892.

Q. Were you engaged in it in any other country previous to that time? A. Yes, in England. I went over there for that purpose. I am an American—born in this city.

Q. How long did you manufacture in England? A. About eight years.

Q. Were most of your English made goods exported? A. With very few exceptions they were sent to this country.

Q. What induced you to give up the manufacture there and establish it in this country? A. The change in the tariff. The increased duties on imported goods compelled us to abandon our operations over there and transfer them back to this country.

Q. Did you bring over any of your machinery or your help? A. Brought a large portion of the machinery which was operated for our account over there. We brought none of the help. Some few of them followed us and came over here and got employment after we were established, or partially established. Previous to 1884 we were importers of foreign goods, and we handled largely goods made of American manufacture. That was by far the larger part of our business—goods made by American mills. We used to make contracts with those mills for certain lines of their product, sometimes for the whole product of their mill, and have the exclusive control of them. The proposed changes of the tariff in 1883 were made under the operation of the commission that traveled through the country taking evidence. That took so much time that people engaged in the business were forewarned of what was going to take place, and I immediately watched the proceedings very closely as related to the goods that we were handling. As I say, we were importers of foreign goods, and we knew the relative cost of laying those down compared with the products of American mills that we handled. That change was not a very heavy change, but it was so great as to entirely destroy our business in American wools. After that tariff went into effect we never ordered one piece of American wools. As we had been importers, we knew the localities to obtain such goods as we used from American mills, and I went over with that purpose in view. It resulted in our building up quite a large business in foreign goods to take the place entirely of the American goods we had been using. We never ordered another piece of American goods after that time; the whole business was in the foreign markets. We continued that operation until there was a change the other way in the tariff, which entirely blocked our operations over there; and then I made a purchase of machinery and transferred it to this country, and located it in Bristol, Pa., where we still run it. A few of the hands that had been employed by us followed us over here, particularly weavers. Quite a portion of the hands that we employed were minors; of course, they could not come without their parents, so we had practically to open a school in our mill to teach that class of labor. And we have since carried on our business, only interrupted by the change to low tariff again. Owning mills here, we could not very easily transfer them back to England, although under that tariff we could have done better by so doing.

Q. Do you refer now to the Wilson Tariff? A. Yes.

Q. How did that affect your business? A. It compelled us to stop our mills for a while and to discharge our employees. We could not compete with the importation of the class of goods we made.

Q. Was that on account of its reduction of the duties on piece goods? A. Yes; entirely.

Q. You were speaking of the class of persons largely employed



in your works in England. How would that class compare with the class you employ here as to age and capability? A. The age is about the same. I think the capability of the English work people in the textile trade, in my branch of it, is superior to that of the American. That is owing largely, though, to the more rigorous conditions under which they work over there. They are not so independent as our people. In fact, there is a surplus of good labor over there, and the employers can be more exacting and compel them to perform their work carefully and properly. Here that is scarcely possible.

Q. How do the wages compare? A. The wages are much higher here than there. I will give you an instance showing that in one department of the business—that is, the weaving department—the weavers over there, as a rule, are highly skilled weavers; they can only get work as learners unless they are skilled and capable. I just speak of this one instance, although it is a good comparison of the great number of workers—there was one woman—and the weavers in England are mostly women; here they are largely men. This woman was a very good weaver, but the highest wages that I remember of her making were about \$5 a week. She came to our mill and she worked on the same loom and on the same class of goods precisely—not made out of the same wools, but the character of the goods was similar—and she made \$14 in our mill—and we have people now—men—that earn as high as \$18 a week; but I never knew of a man weaver over there making over \$7.50.

Q. Have you looked up the comparative expense of living so as to be able to make a comparative statement of the real wages? A. To a certain extent. I was quite familiar with many of those work people. One thing about them, they retain their places. They seem to be contented if they are making a living, and they are pretty sure of retaining their places. I took an interest in some of them, and they were really an excellent class of people—good type of English work people. My conclusions were that the cost of living is something lower there, generally, but among work people it is almost as high as it is here. The prices of food, if anything, are higher there than they are here, which is an essential factor in the cost of living. As I lived over there and kept house, that was a question I looked into somewhat. The only article that I ever discovered over there that was cheaper than in this country was potatoes. That in some sections is a very important article of diet. But they live fairly well over there; they do not consume a great deal of meat; their food is more of the character of cereals-bread, and things of that kind. Over there, instead of living in houses as they do here, they live in rooms. We have work people in our town living in houses by themselves that have all the necessary conveniences, such as bathroom, heater and gas.

Q. Is it not an advantage to the American people—American labor—to reduce the scale of wages to the foreign level? A. No, we cannot do that. I think that the purchasing power of the people in this country, owing to the higher wages, is one great cause of the prosperity of the country. The work people, the common class of people in Europe, have no purchasing power practically. They confine themselves perforce entirely to necessities, mostly food. Their clothing, while it is good enough, they make last a long time, and they do not consume much in the way of anything but food and shelter.

Q. Given the proposition that the tariff shuts out the foreign importations, what is your competition in this country? Is it close? Is it severe? A. It is among our own people.

Q. What are your average dividends in fairly good years in your business? A. If we can clear 5 per cent. we think we have done very well. \* \* \* You asked me something about the price of goods on the other side. I just think now of clothing. There is no country in the world that I know of, no civilized country, where the ready-made clothing business has developed to such an extent as it has in this country, nor where the garments are so well made, not only in point of workmanship, but style, and the general character of the garment. Those goods are sold to consumers, I think, quite as cheaply as the production of the ordi-



nary class of tailors in England. Germany I do not know so much about. I never bought any clothing there, but I presume about the same conditions prevail.

Q. With the tariff on wool, with the tariff on machinery, with double the wages in this country, yet you say ready-made clothing is sold at equal prices over here. How do you account for it as a business proposition? A. I think it is largely owing to the extent of the business, the magnitude of the manufacture of clothing in this country, the methods that are carried on by clothing manufacturers to obtain their work cheaply.

## MANUFACTURING PROGRESS.

### Southern States Make Gratifying Exhibit.

The Manufacturers' Record, of Baltimore, has prepared from figures of the Census Bureau a statement showing remarkable progress made in manufacturing by the Southern States the past five years:

Factories of the South are now producing goods to the value of about \$2,000,000,000 annually. Between 1900 and 1905 the capital invested in them increased from \$967,701,865 to \$1,597,513,217, or by \$629,811,352, an average of \$126,000,000 a year, and the value of their products increased from \$1,237,589,667 to \$1,787,776,794, or by \$550,187,127, an average of \$110,000,000 a year. Their capital increased 65 per cent., and the value of their products 44.4 per cent., while for the country at large the increases are estimated at a little more than 4 per cent. in capital and just about 3 per cent. in value of products. Bearing in mind that the 1905 figures, or, correctly, the figures as of the year ended December 31, 1904, deal with factories proper, and that they are compared with figures for factories proper in 1900, less, therefore, than the figures for manufacturing of the Twelfth Census, which included neighborhood industries and hand trades in the statistics, one may make comparison for five years of capital invested and of the value of products by States in the following table compiled by the Manufacturers' Record from figures of the Census Bureau:

State.	Capital invested.		Value of products.	
	1900.	1905.	1900.	1905.
Alabama .....	\$60,110,360	\$105,382,859	\$72,082,621	\$109,169,922
Arkansas .....	24,275,158	46,306,116	38,481,678	53,864,394
District of Columbia...	17,960,498	20,199,783	16,426,408	18,359,159
Florida .....	25,682,171	32,958,482	34,193,509	50,241,078
Georgia .....	79,303,316	135,211,551	94,532,368	151,040,455
Kentucky .....	87,995,822	147,282,478	126,508,660	159,753,908
Louisiana .....	100,874,729	150,810,608	111,297,919	186,379,592
Maryland .....	149,555,593	201,877,966	210,343,559	243,375,996
Mississippi .....	22,712,186	50,250,309	33,718,517	57,451,445
North Carolina.....	68,283,005	141,000,639	85,274,083	142,520,776
South Carolina.....	62,750,027	113,422,224	53,335,811	79,376,262
Tennessee .....	63,140,657	102,439,481	92,749,129	137,960,476
Texas .....	63,655,616	115,664,871	92,894,433	150,528,389
Virginia .....	92,299,589	147,989,182	108,644,150	148,856,525
West Virginia.....	49,103,138	86,716,668	67,006,822	98,898,357
Total .....	\$967,701,865	\$1,597,513,217	\$1,237,589,667	\$1,787,776,794

According to a preliminary report of the Interstate Commerce Commission, the gross earnings of the railroads of the United States, covering approximately 219,000 miles of road, will probably show for the fiscal year ended June 30 an increase of 10 per cent. over the \$2,073,000,000 earned in 1905. This will prove a banner year for American railroads. The official figures will not be available for all the roads for some months yet, but the increases that have been shown month after month give reason to expect the 10 per cent. increase. There have been heavy expenditures for improving the roads, but the net earnings will be very favorable. No section of the country has failed to profit by the favorable conditions which existed this past year.

## Our Vast Industrial Energy.

From the Commercial Bulletin (Boston), May 12, 1906.

A well-known contributor to the press, writing recently in a New York weekly, makes the astounding assertion that "our machinery is speeded so that it racks itself and spoils material. Speed of that sort is economic waste, and the product could not compete with importations except for the tariff, which is another way of development." As the writer makes no attempt to substantiate his statement by facts or theory, his contention would not be deserving of the slightest notice if it were not that it appeared in a journal of the highest standing. Only this fact entitles the statement to serious consideration.

Assuming, then, the truth of the foregoing dictum, it would naturally follow that our exports of manufactured commodities would be of trifling dimensions, for if the industries of the United States could not successfully compete at home with imported manufactures, it is idle to presume that they could do so in foreign markets. But what are the facts in the case? The subjoined table, showing the value of our exports of manufactures, together with their percentage of our total exports for various years since 1880, will probably be as eloquent a reply as any that could be made:

	Ex. (Domestic) Manufactures.	Per cent. of Exports.
1800.....	\$2,493,755	7.83
1810.....	3,951,154	9.32
1820.....	3,945,793	7.65
1830.....	6,641,016	11.35
1840.....	11,149,621	9.98
1850.....	17,580,456	13.03
1860.....	40,345,892	12.76
1870.....	68,279,764	15.00
1880.....	102,856,015	12.58
1885.....	147,187,527	20.23
1890.....	151,102,376	17.87
1895.....	183,595,743	23.14
1900.....	433,851,756	31.63
1905.....	543,607,975	36.44

From the above table it will be seen that each ten years have witnessed a material increase in the value of domestic manufactures, and, furthermore, that between 1800 and 1905 these exports increased from 7.83 per cent. to 36.44 per cent. of our total exports. To be more specific we present a few statistics covering the period from 1890 to the end of the last fiscal year. Exports of wool manufactures increased from \$437,479 in 1890 to \$2,035,054 in 1905; wood manufactures, from \$6,509,645 to \$12,563,630; tobacco, from \$3,876,045 to \$5,690,203; paraffin and wax, from \$2,408,709 to \$7,789,160; paper and manufacturers of, from \$1,226,686 to \$8,238,088; paints and pigments, from \$578,103 to \$3,126,317; musical instruments, from \$1,105,134 to \$3,144,787; scientific instruments, from \$1,429,785 to \$8,172,980; india rubber manufactures, from \$1,090,307 to \$5,508,664; gunpowder and other explosives, from \$868,728 to \$2,559,837; glass and glassware, from \$882,677 to \$2,252,799; books, maps, engravings, etc., from \$1,886,094 to \$4,844,160; brass and manufactures of, from \$467,313 to \$3,025,764; cars and carriages, from \$4,746,678 to \$10,610,437; chemicals, drugs and dyes, from \$5,424,279 to \$14,450,490; agricultural implements from \$3,859,184 to \$20,721,741; cotton manufactures, from \$9,997,277 to \$49,660,080; leather and manufactures of, from \$12,438,847 to \$37,936,745; copper and manufactures of, from \$2,349,392 to \$86,225,291; iron and steel manufactures, from \$25,542,208 to \$134,728,363.

Here, then is an outline of the marvelous growth in the exports of domestic manufactures during the past fifteen years. Does it indicate, as the writer quoted would have us believe, that behind the Dingley Tariff there is an industrial body with muscles so flaccid from government protection that it would be quickly overwhelmed if that protection were removed? The facts speak for themselves.



## FINANCES OF RAILROADS.

Cost of Construction, Traffic Earnings, Interest and Dividends,  
and Passengers and Freight Carried, 1876 to 1904.

(Prepared by John P. Meany, editor of Poor's Railroad Manual.)

## LENGTH OF LINES AND COST OF CONSTRUCTION.

Year.	Length of lines.	Cost of construction			Total liabilities, except current accounts and sinking funds.
		Capital stock.	Funded debt.	Floating debt.	
	Miles.	Dollars.	Dollars.	Dollars.	Dollars.
1876.....	76,808	2,248,358,375	2,220,233,560	.....	a4,468,591,935
1877.....	79,208	2,313,278,598	2,255,318,650	237,604,774	4,806,202,022
1878.....	80,832	2,292,257,877	2,297,790,916	182,248,556	4,772,297,349
1879.....	84,393	2,395,647,293	2,319,489,172	156,881,052	4,872,017,517
1880.....	92,147	2,708,673,375	2,530,874,943	162,489,939	5,402,038,257
1881.....	103,530	3,177,375,179	2,878,423,606	222,766,267	6,278,565,052
1882.....	114,423	3,478,914,224	3,214,084,323	267,650,730	6,960,649,277
1883.....	120,519	3,675,793,383	3,479,411,914	267,834,906	7,423,040,203
1884.....	125,119	3,726,655,041	3,647,312,772	244,018,597	7,617,986,410
1885.....	127,689	3,778,609,737	3,740,255,066	256,993,391	7,775,858,194
1886.....	133,565	3,956,377,498	3,853,748,330	279,142,613	8,089,268,441
1887.....	147,953	4,146,958,214	4,155,628,116	292,455,121	8,595,041,451
1888.....	154,222	4,392,287,224	4,585,471,523	304,155,858	9,281,914,605
1889.....	159,934	4,447,103,600	4,784,173,271	345,662,983	9,576,939,854
1890.....	163,359	4,590,471,560	5,055,225,025	375,228,630	10,020,925,215
1891.....	167,846	4,751,750,498	5,180,227,024	345,051,807	10,277,029,329
1892.....	171,805	4,863,119,073	5,406,955,004	285,212,887	10,555,286,964
1893.....	175,442	5,021,576,551	5,510,225,528	409,909,043	10,941,711,122
1894.....	178,054	5,027,604,717	5,605,775,764	382,927,834	11,016,308,315
1895.....	179,821	5,181,373,599	5,648,659,436	418,536,623	11,248,569,658
1896.....	181,394	5,373,187,619	5,461,856,798	344,499,969	11,179,544,386
1897.....	183,547	5,602,964,449	5,534,432,492	380,669,705	11,518,066,646
1898.....	184,849	5,581,522,858	5,635,363,594	368,182,584	11,585,069,036
1899.....	187,781	5,742,181,181	5,644,858,027	305,777,858	11,692,187,066
1900.....	192,162	5,804,346,250	5,758,592,754	328,963,335	11,891,902,339
1901.....	195,887	5,978,796,249	6,035,469,741	312,225,536	12,326,491,526
1902.....	199,685	6,078,290,596	6,465,290,839	310,345,867	12,853,927,302
1903.....	206,886	6,355,207,335	6,722,216,517	448,199,448	13,525,623,300
1904.....	211,074	6,447,045,374	6,747,840,203	172,619,537	14,095,505,114

a Total capital stock and funded debt.

c Including real estate mortgages, equipment trust obligations, etc., previously included in item "Unfunded debt."

## Traffic Earnings.

Year.	Gross traffic earnings				Net traffic earnings.
	From passengers.	From freight.	Miscella- neous.	Total gross receipts.	
	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
1876.....	136,120,583	361,137,376	(a)	497,257,959	186,452,752
1877.....	130,050,050	342,859,222	(a)	472,909,272	170,976,697
1878.....	124,637,290	365,466,061	(a)	490,103,351	187,575,167
1879.....	142,336,191	386,676,108	(a)	525,620,577	216,544,999
1880.....	147,653,003	467,748,928	(a)	613,733,610	255,557,555
1881.....	173,356,642	551,968,477	(a)	701,780,982	272,406,787
1882.....	196,213,220	506,367,247	61,650,932	764,231,399	278,009,565
1883.....	206,837,256	549,756,695	60,782,625	817,376,576	295,737,078
1884.....	206,790,701	506,925,375	56,952,816	770,668,892	268,060,557
1885.....	200,833,911	519,690,992	44,735,616	765,493,309	266,615,933
1886.....	211,929,857	550,359,054	59,908,038	822,182,381	297,372,559
1887.....	240,542,876	636,666,223	54,176,055	931,373,488	331,174,183
1888.....	251,356,167	639,200,723	60,065,118	950,519,764	297,306,541
1889.....	259,439,231	665,962,331	66,664,757	991,935,331	317,866,883
1890.....	272,320,961	734,821,733	71,692,645	1,086,039,735	342,071,296
1891.....	290,799,696	754,185,910	80,549,209	1,125,381,994	350,748,483
1892.....	293,557,476	794,526,500	80,952,864	1,169,036,840	352,817,405
1893.....	310,442,870	808,494,668	88,168,483	1,207,106,026	358,648,918
1894.....	275,352,190	700,477,409	91,113,759	1,066,943,358	317,757,399
1895.....	260,929,741	743,784,451	87,681,245	1,092,395,437	323,196,454
1896.....	265,313,258	770,424,013	89,894,754	1,125,632,025	332,766,979
1897.....	253,557,936	780,351,939	98,956,751	1,132,866,626	342,792,030
1898.....	272,589,591	868,924,526	108,044,607	1,249,558,724	389,666,474
1899.....	297,559,712	922,436,314	116,100,353	1,336,096,379	447,741,014
1900.....	331,402,816	1,052,835,811	117,456,751	1,501,695,378	483,247,526
1901.....	360,702,686	1,126,267,652	125,478,488	1,612,448,826	520,294,727
1902.....	396,513,412	1,197,212,452	127,089,036	1,720,814,900	560,026,277
1903.....	429,705,287	1,344,150,719	135,001,820	1,908,857,826	592,508,512
1904.....	456,342,380	1,374,102,275	147,194,058	1,977,638,713	639,240,027

a Included in foregoing.

All I ask is a square deal for every man. Give him a fair chance. Do not let him wrong any one, and do not let him be wronged.—President Roosevelt at Grand Canyon, Ariz., May 6, 1903.



## MILEAGE OF RAILROADS IN OPERATION AND ANNUAL INCREASE OF MILEAGE: 1832 TO 1904.

(From Poor's Railroad Manual.)

Calendar year.	Miles in operation.	Annual increase of mileage.	Calendar year.	Miles in operation.	Annual increase of mileage.	Calendar year.	Miles in operation.	Annual increase of mileage.
1832	229	134	1857	24,503	2,487	1882	114,677	11,563
1833	350	151	1858	26,968	2,465	1883	121,422	6,745
1834	633	253	1859	28,789	1,821	1884	125,345	3,923
1835	1,098	465	1860	30,626	1,837	1885	128,320	2,975
1836	1,273	175	1861	31,286	660	1886	136,338	8,018
1837	1,497	224	1862	32,120	834	1887	149,214	12,876
1838	1,913	416	1863	33,170	1,050	1888	156,114	6,900
1839	2,302	389	1864	33,908	738	1889	161,276	5,162
1840	2,818	516	1865	35,085	1,177	1890	166,703	5,427
1841	3,535	717	1866	36,801	1,716	1891	170,729	4,026
1842	4,026	491	1867	39,050	2,249	1892	175,170	4,441
1843	4,185	159	1868	42,229	2,979	1893	177,516	2,346
1844	4,377	192	1869	46,844	4,615	1894	179,415	1,899
1845	4,633	256	1870	52,922	6,078	1895	181,115	1,700
1846	4,930	297	1871	60,301	7,379	1896	182,769	1,654
1847	5,598	668	1872	66,171	5,878	1897	184,591	1,822
1848	5,996	398	1873	70,268	4,097	1898	186,810	2,219
1849	7,365	1,369	1874	72,385	2,117	1899	190,818	4,008
1850	9,021	1,656	1875	74,096	1,711	1900	194,262	3,444
1851	10,982	1,961	1876	76,808	2,712	1901	198,743	4,481
1852	12,908	1,926	1877	79,082	2,274	1902	202,938	4,195
1853	15,360	2,452	1878	81,747	2,665	1903	207,335	4,397
1854	16,720	1,360	1879	86,556	4,809	1904	212,349	5,014
1855	18,374	1,654	1880	93,267	6,711			
1856	22,016	3,642	1881	103,108	9,846			

### Passengers and Freight Carried.\*

Year.	Passengers carried.	Average receipts per passenger mile.	Freight carried.	Average receipts per ton per mile.
		Cents.	Tons.	Cents.
1882	375,391,812	1.85	360,490,375	1.24
1883	312,686,641	2.42	400,453,439	1.22
1884	334,570,766	2.36	399,074,749	1.13
1885	351,427,688	2.20	437,040,099	1.06
1886	382,284,972	2.19	482,245,254	1.04
1887	428,225,513	2.28	552,074,752	1.03
1888	451,353,655	2.25	590,857,353	.98
1889	494,808,421	2.17	619,165,630	.97
1890	520,439,082	2.17	691,344,437	.93
1891	556,015,802	2.18	704,393,609	.93
1892	575,769,678	2.17	730,605,011	.94
1893	597,056,539	2.07	757,464,480	.89
1894	569,660,216	2.03	674,714,747	.86
1895	529,756,259	2.07	755,799,893	.84
1896	535,120,756	2.03	773,868,716	.82
1897	504,106,525	2.03	788,385,448	.80
1898	514,982,888	1.99	912,973,833	.76
1899	537,977,301	2.00	975,789,941	.73
1900	584,695,935	2.03	1,071,431,919	.75
1901	600,485,790	2.03	1,084,066,451	.76
1902	655,130,236	2.05	1,192,136,510	.76
1903	696,908,994	2.05	1,299,684,081	.78
1904	719,654,951	2.05	1,275,321,607	.79

\*Statistics for this table for years previous to 1882 are not compiled.

### Railway Car Construction.

Locomotives and cars approximating the value of \$260,000,000 were built in the locomotive and car shops of the United States in 1905, according to figures collected by the Railroad Gazette. These returns do not include locomotives and cars built by the railroads in their own shops, of which an exceptionally large number were constructed during the year, nor do they include street and inter-urban electric cars. The number of locomotives built was 5,491, as against 3,441 in 1904. The number built exceeds the total for any previous year. The car output, subject to the limitations noted, was 168,006, the largest car output in any one year.

Protection has vindicated itself. It cannot be helped by eulogy or hurt by defamation; it has worked its own demonstration and presents in the sight of the whole world its matchless trophies.—Major McKinley at Beatrice, Neb., August 2, 1892.

# RAILROAD INTEREST AND DIVIDENDS

Year.	Interest paid on bonds, etc.	Dividends paid.	Interest per cent. of bonds and debt.	Dividends per cent. of stock.	Earnings per mile of railroad in —operation—		Percentage of expenses to earnings.
					Gross.	Net.	
	Dollars.	Dollars.			Dollars.	Dollars.	
1876....	(*)	68,039,668	.....	3.03	6,765	2,537	62.50
1877....	98,820,927	58,536,312	3.96	2.53	6,381	2,307	63.85
1878....	103,160,512	53,629,368	4.16	2.34	6,207	2,376	61.73
1879....	112,235,515	61,681,470	4.53	2.57	6,653	2,741	58.80
1880....	107,866,328	77,115,371	4.00	2.85	7,471	3,111	58.36
1881....	128,587,302	93,344,190	4.16	2.94	7,548	2,930	61.18
1882....	152,931,300	101,441,491	4.39	2.92	7,283	2,649	63.62
1883....	171,774,984	101,662,548	4.58	2.76	7,405	2,679	63.82
1884....	176,694,302	93,244,835	4.54	2.50	6,663	2,318	65.21
1885....	185,986,991	76,112,105	4.65	2.00	6,265	2,185	65.12
1886....	187,358,531	80,094,138	4.53	2.02	6,570	2,376	63.84
1887....	202,009,042	90,013,458	4.54	2.17	6,861	2,444	64.45
1888....	205,288,021	78,943,041	4.20	1.80	6,540	2,045	68.72
1889....	216,877,898	79,531,863	4.23	1.79	6,455	2,068	67.95
1890....	224,499,571	83,575,705	4.13	1.82	6,822	2,162	68.33
1891....	228,572,703	89,099,757	4.14	1.87	6,852	2,136	68.83
1892....	236,502,579	93,862,412	4.16	1.93	6,852	2,068	69.82
1893....	244,965,446	94,295,815	4.14	1.88	6,963	2,069	70.29
1894....	242,147,714	83,478,639	4.04	1.66	6,054	1,803	70.22
1895....	247,895,884	81,685,774	4.09	1.58	6,097	1,804	70.41
1896....	251,322,570	81,528,154	4.33	1.52	6,223	1,840	70.43
1897....	240,231,305	83,680,040	4.06	1.51	6,228	1,884	69.74
1898....	242,202,389	94,937,526	4.03	1.71	6,771	2,111	68.16
1899....	245,250,364	109,032,252	4.12	1.92	7,161	2,272	68.27
1900....	250,762,834	140,343,653	4.12	2.44	7,826	2,519	68.93
1901....	261,645,714	156,887,283	4.12	2.65	8,270	2,668	67.73
1902....	272,971,011	178,173,752	4.03	2.97	8,696	2,830	67.45
1903....	286,782,279	190,674,415	4.00	3.03	9,301	2,887	68.96
1904....	289,451,790	211,522,166	3.78	3.31	9,248	2,989	67.68

\*Interest payments not compiled.

## RAILROADS PLACED UNDER RECEIVERSHIPS AND SOLD UNDER FORECLOSURE: NUMBER AND MILEAGE, 1876 TO 1905.

(From the Railway Age, Chicago.)

Calendar year.	Placed under receiverships			Sold under foreclosure		
	Number of roads.	Miles.	Stocks and bonds.	Number of roads.	Miles.	Stocks and bonds.
			Dollars.			Dollars.
1876.....	42	6,662	467,000,000	30	3,840	217,848,000
1877.....	38	3,637	220,294,000	54	3,875	198,984,000
1878.....	27	2,320	92,385,000	48	3,906	311,631,000
1879.....	12	1,102	39,367,000	65	4,909	243,288,000
1880.....	13	885	140,265,000	31	3,775	263,882,000
1881.....	5	110	3,742,000	29	2,617	137,923,000
1882.....	12	912	39,074,000	16	867	65,426,000
1883.....	11	1,990	108,470,000	18	1,354	47,100,000
1884.....	37	11,038	714,755,000	15	710	23,504,000
1885.....	44	8,386	385,460,000	22	3,156	278,394,000
1886.....	13	1,799	70,346,000	45	7,687	374,109,000
1887.....	9	1,046	90,318,000	31	5,478	328,181,000
1888.....	22	3,270	186,814,000	19	1,596	64,555,000
1889.....	22	3,803	99,664,000	25	2,930	137,815,000
1890.....	26	2,963	105,007,000	29	3,825	182,495,000
1891.....	26	2,159	84,479,000	21	3,223	169,069,000
1892.....	36	10,508	357,692,000	28	1,922	95,898,000
1893.....	74	29,340	1,781,046,000	25	1,613	79,924,000
1894.....	38	7,025	395,791,000	42	5,643	318,999,000
1895.....	31	4,089	369,075,000	52	12,831	761,791,000
1896.....	34	5,441	275,597,000	58	13,730	1,150,377,000
1897.....	18	1,537	92,909,000	42	6,675	517,680,000
1898.....	18	2,069	133,701,000	47	6,054	252,910,000
1899.....	10	1,019	52,285,000	32	4,294	267,534,000
1890.....	16	1,165	78,234,000	24	3,477	190,374,000
1901.....	4	73	1,627,000	17	1,139	85,808,000
1902.....	5	278	5,835,000	20	693	39,788,000
1903.....	9	229	18,823,000	13	555	15,885,000
1904.....	8	744	36,069,000	13	524	28,266,000
1905.....	10	3,593	176,321,000	6	679	20,307,000
Total....	670	119,192	6,627,445,000	917	113,577	6,869,745,000

## TELEGRAPHS.

Western Union Telegraph Company: Mileage of Lines and Wires. Number of Offices and Traffic, 1866 to 1905.

Year ended June 30—	Miles of line.	Miles of wire.	Number of offices.	Number of messages sent.	Receipts. Dollars.	Expenses. Dollars.
1866.....	37,380	75,686	2,250	.....	.....	.....
1867.....	46,270	85,291	2,565	5,879,232	6,568,925	3,944,006
1868.....	50,183	97,594	3,219	6,404,595	7,004,560	4,362,849
1869.....	52,099	104,584	3,607	7,934,933	7,316,918	4,568,117
1870.....	54,109	112,191	3,972	9,157,646	7,138,738	4,910,772
1871.....	56,032	121,151	4,606	10,646,077	7,637,449	5,104,787
1872.....	62,033	137,190	5,237	12,444,499	8,457,096	5,666,863
1873.....	65,757	154,472	5,740	14,456,832	9,333,019	6,575,056
1874.....	71,585	175,735	6,188	16,329,256	9,262,654	6,755,734
1875.....	72,833	179,496	6,565	17,153,710	9,564,575	6,335,415
1876.....	73,532	183,832	7,072	18,729,567	10,034,984	6,635,474
1877.....	76,955	194,323	7,500	21,158,941	9,812,353	6,672,225
1878.....	81,002	206,202	8,014	23,918,894	9,861,355	6,309,813
1879.....	82,987	211,566	8,534	25,070,106	10,960,640	6,160,200
1880.....	85,645	233,534	9,077	29,215,509	12,782,895	6,948,957
1881.....	110,340	327,171	10,737	32,500,000	14,393,544	8,485,264
1882.....	131,060	374,368	12,068	38,842,247	17,114,166	9,996,096
1883.....	144,294	432,726	12,917	41,181,177	19,454,903	11,794,553
1884.....	145,037	450,571	13,761	42,076,226	19,632,940	13,022,504
1885.....	147,500	462,283	14,184	42,096,583	17,706,834	12,005,910
1886.....	151,832	489,607	15,142	43,289,807	16,298,639	12,378,783
1887.....	156,814	524,641	15,658	47,394,530	17,191,910	13,154,629
1888.....	171,375	616,248	17,241	51,463,955	19,711,164	14,640,592
1889.....	178,754	647,697	18,470	54,108,326	20,783,194	14,565,153
1890.....	183,917	678,997	19,382	55,878,762	22,387,029	15,074,304
1891.....	187,981	715,591	20,098	59,148,343	23,034,327	16,428,742
1892.....	189,576	739,105	20,700	62,387,298	23,706,405	16,307,857
1893.....	189,936	769,201	21,078	66,591,858	24,978,443	17,482,406
1894.....	190,303	790,792	21,166	58,632,237	21,852,655	16,060,170
1895.....	189,714	802,651	21,360	58,307,315	22,218,019	16,076,630
1896.....	189,918	826,929	21,725	58,760,444	22,612,736	16,714,756
1897.....	190,614	841,002	21,769	58,151,684	22,638,859	16,906,656
1898.....	189,847	874,420	22,210	62,173,749	23,915,733	17,825,582
1899.....	189,856	904,633	22,285	61,398,157	23,954,312	18,085,579
1900.....	192,705	933,153	22,900	63,167,783	24,758,570	18,593,206
1901.....	193,589	972,766	23,238	65,657,049	26,354,151	19,668,903
1902.....	196,115	1,029,984	23,567	69,374,883	28,073,095	20,780,766
1903.....	196,517	1,089,212	23,120	*69,790,866	29,167,687	20,953,215
1904.....	199,350	1,155,405	23,458	*67,903,973	29,249,390	21,361,915
1905.....	200,224	1,184,557	23,814	*67,477,320	29,033,635	21,845,570

\*Not including messages sent over leased wires or under railroad contracts.

Note.—The greatly increased mileage since 1880 is principally due to the fact that in 1881 the Western Union Telegraph Company absorbed by purchase all the lines of the American Union and the Atlantic and Pacific Telegraph companies, the former having previously in operation over 12,000 miles of line and the latter 8,706 miles. Capital stock of the Western Union, \$100,000,000.

The Western Union has exclusive contracts with several international cable companies, operating eight Atlantic cables, and guarantees 5 per cent. annual dividends on the stock of the American Telegraph and Cable Company; amount, \$14,000,000.

Besides the above, there are new lines of telegraph which have complied with the United States telegraph act of 1866, and are operating wires with or without connection with railway companies.

General Harrison, in his speech to the visiting commercial travelers at Indianapolis, Aug. 18, 1888, said:

"Do not allow any one to persuade you that this great contest as to our tariff policy is one between schedules. It is not a question of seven per cent. reduction. (Applause.) It is a question between wide-apart principles. (Cries of "That's right.") The principle of protection; the intelligent recognition in the framing of our tariff laws of the duty to protect our American industries and maintain the American scale of wages by adequate discriminating duties (cries of "That's right!") on the one hand, and on the other a denial of the constitutional right to make our customs duties protective, on the assertion of the doctrine that free competition with foreign products is the ideal condition to which all our legislation should tend." (Applause.)



## Postal Telegraph Cable Company: Mileage of Lines and Wires, Number of Offices, and Messages Sent, 1885 to 1905.

Year.	Miles of poles and cable operated but not owned.*	Miles of poles and cable owned.	Miles of wires.	Offices.	Messages.
1885.....	.....	2,811	23,587	260	1,428,690
1886.....	.....	4,391	36,960	411	3,055,922
1887.....	.....	5,653	38,412	568	4,199,585
1888.....	.....	7,102	40,811	690	4,983,452
1889.....	.....	8,554	51,016	808	6,078,361
1890.....	.....	11,142	67,751	1,050	7,380,000
1891.....	.....	12,739	76,365	1,187	8,271,768
1892.....	.....	13,363	88,646	1,412	9,335,291
1893.....	.....	16,201	101,807	1,605	10,251,194
1894.....	.....	17,715	108,695	1,759	10,965,509
1895.....	.....	19,477	117,344	2,067	12,493,892
1896.....	11,699	20,165	165,013	9,074	13,461,452
1897.....	16,011	21,098	178,438	9,875	13,628,064
1898.....	14,200	24,547	191,834	11,098	15,407,018
1899.....	16,070	25,560	209,373	12,663	15,958,351
1900.....	17,385	26,042	226,465	13,100	16,528,444
1901.....	17,500	26,349	243,422	14,877	17,898,073
1902.....	21,043	26,476	266,122	16,248	20,086,930
1903.....	21,319	27,482	276,245	19,977	21,600,577
1904.....	25,551	27,793	302,260	21,071	22,525,528
1905.....	27,307	27,936	306,187	23,066	23,925,962

\*No data obtained for years prior to 1896.

## COMMERCIAL FAILURES ANNUALLY, 1882 TO 1905.

### Number, Amount of Liabilities and Average Liabilities.

(From Dun's Review, New York.)

Calendar year.	Number failures.	Total for the year—			Amount of liabilities.  Dollars.	Average liabili- ties.  Dollars.
		Number of business concerns.	Per cent. of failures.			
1882.....	6,738	822,256	0.82	101,547,564	15,070	
1883.....	9,184	863,993	1.06	172,874,172	18,823	
1884.....	10,968	904,759	1.21	226,343,427	20,632	
1885.....	10,637	919,990	1.16	124,220,321	11,678	
1886.....	9,834	969,841	1.01	114,644,119	11,651	
1887.....	9,634	994,281	.90	167,560,944	17,392	
1888.....	10,679	1,406,662	1.02	123,829,973	11,595	
1889.....	10,882	1,051,140	1.04	148,784,337	13,672	
1890.....	10,907	1,110,590	.98	189,856,964	17,406	
1891.....	12,273	1,142,951	1.07	189,868,638	15,471	
1892.....	10,344	1,172,705	.88	114,044,167	11,025	
1893.....	15,242	1,193,113	1.28	346,779,889	22,751	
1894.....	13,885	1,114,174	1.25	172,992,856	12,458	
1895.....	13,197	1,209,282	1.09	173,196,060	13,124	
1896.....	15,088	1,151,579	1.31	226,096,834	14,992	
1897.....	13,351	1,058,521	1.26	154,332,071	11,559	
1898.....	12,186	1,105,830	1.10	130,662,899	10,722	
1899.....	9,337	1,147,595	.81	90,879,839	9,733	
1900.....	10,774	1,174,300	.92	138,495,673	12,854	
1901.....	11,002	1,219,242	.90	113,092,376	10,279	
1902.....	11,615	1,253,172	.93	117,476,769	10,114	
1903.....	12,069	1,281,481	.94	155,444,185	12,879	
1904.....	12,199	1,320,172	.92	144,202,311	11,820	
1905.....	11,520	1,356,217	.85	102,676,172	8,913	

## BENEFITS OF FREE ALCOHOL.

There are now in operation in Germany between 5,000 and 6,000 alcohol engines, and it is estimated that when alcohol designed for such purposes in the United States is free from Government tax a much larger number will be used here. Internal-combustion engines using alcohol as a motor fuel are coming into general use on farms for running all kinds of farm machinery. By the use of alcohol 20 per cent. more power can be secured on a given engine than can be obtained by the use of gasoline, as alcohol can be compressed to a much higher degree than gasoline without danger of spontaneous combustion. It is used also in running light machinery in workshops.

## TELEPHONES.

American Telephone and Telegraph Company and Operating  
Companies Associated with it: Statistics, January 1, 1899  
to 1905.

	1899.	1900.	1901.	1902.	1903.	1904.	1905.
<b>OPERATING COMPANIES.</b>							
Exchanges .....	1,126	1,239	1,348	1,411	1,514	1,609	4,080
Branch offices.....	1,008	1,187	1,427	1,594	1,861	2,131	4,080
Miles of wire:							
On poles .....	396,503	509,036	627,897	823,193	*1,109,017	1,358,140	1,654,379
On buildings .....	15,329	15,087	16,833	17,947	*1,109,017	1,358,140	1,654,379
Underground .....	358,184	489,250	705,263	883,679	1,328,685	1,618,691	1,888,760
Submarine .....	2,973	3,404	4,203	4,200	6,048	6,358	6,671
Total miles of exchange service wire.....	772,989	1,016,777	1,354,202	1,729,019	2,443,750	2,933,139	3,549,810
Total circuits .....	338,293	422,620	508,262	592,467	742,654	798,901	930,251
Total employees .....	19,668	25,741	32,837	40,864	50,350	53,795	59,451
Total subscribers .....	465,180	632,946	800,880	1,020,647	1,277,983	1,525,167	1,799,633
Length of wire operated.....miles..	1,058,900	1,518,609	1,961,801	2,445,284	3,231,662	3,958,891	4,671,033
Instruments in hands of licensees under rental at beginning of year..number..	1,124,846	1,530,101	1,952,412	2,525,606	3,150,320	3,779,517	4,480,564
Daily exchange connections.....number..	3,823,070	5,173,803	5,668,986	7,531,761	9,322,951	9,876,402	11,149,063
Average daily calls per subscriber.....number..	8.2	8.2	7.1	7.4	7.3	6.5	6.2
<b>AMERICAN TELEPHONE AND TELEGRAPH COMPANY.</b>							
Dividends paid stockholders.....dollars..	3,882,945	3,882,945	4,078,601	5,050,024	6,534,404	8,619,151	9,799,118
Capital .....	.....	25,836,300	89,100,500	104,650,600	126,118,972	156,151,680	164,262,900
Gross earnings.....dollars..	5,448,701	7,687,381	9,534,499	11,606,817	13,277,457	16,545,632	18,546,659
Net earnings.....dollars..	4,393,967	4,270,509	5,486,058	7,398,286	7,895,072	10,564,665	11,275,702
Received in rentals of telephones.....dollars..	1,714,527	2,427,038	2,647,910	2,299,370	2,047,088	3,438,606	.....

## INSURANCE STATISTICS.

Life Insurance: Number of Policies and Amount of Insurance in Force in Ordinary and Industrial Companies (Census Years 1850 to 1880; Annually from 1884), and Income, Payments, Assets, Liabilities and Surplus in 1880 and from 1884 to 1904.

(Prepared by Frederick L. Hoffman, Insurance Statistician, Newark, N. J.)

## INSURANCE IN FORCE FROM 1850 TO 1904.

Year ended Dec. 31—	Ordinary		Industrial		Total	
	No. of policies.	Amount.	No. of policies.	Amount.	No. of policies.	Amount.
		Dollars.		Dollars.		Dollars.
1850....	29,407	68,614,189	.....	.....	.....	.....
1860....	60,000	180,000,000	.....	.....	.....	.....
1870....	839,226	2,262,847,000	.....	.....	.....	.....
1880....	679,690	1,564,183,532	236,674	20,533,469	916,364	1,584,717,001
1884....	819,264	1,984,694,854	1,092,529	111,115,252	1,911,793	2,095,810,106
1885....	890,924	2,155,330,627	1,377,150	145,938,241	2,268,074	2,301,268,868
1886....	926,497	2,365,696,617	1,780,372	198,431,170	2,706,869	2,564,127,787
1887....	992,987	2,599,576,117	2,310,003	255,533,472	3,302,990	2,855,109,589
1888....	1,091,357	2,896,099,365	2,797,521	305,155,182	3,888,878	3,201,254,547
1889....	1,218,008	3,291,828,258	3,365,461	365,841,518	4,583,469	3,657,669,776
1890....	1,319,561	3,620,057,439	3,883,529	429,521,128	5,203,090	4,049,578,567
1891....	1,465,459	3,964,491,593	4,319,817	481,919,116	5,785,276	4,446,410,709
1892....	1,531,231	4,314,204,343	5,200,777	583,527,016	6,732,008	4,897,731,359
1893....	1,754,303	4,629,774,861	5,751,514	662,050,129	7,505,817	5,291,824,990
1894....	1,868,954	4,765,220,494	6,833,439	800,946,170	8,702,393	5,566,166,664
1895....	1,940,945	4,917,694,131	6,952,757	820,740,641	8,893,702	5,738,434,772
1896....	2,024,927	5,054,800,506	7,388,119	888,266,586	9,413,046	5,943,067,492
1897....	2,201,193	5,329,980,648	8,005,384	996,129,424	10,206,577	6,326,120,072
1898....	2,419,850	5,714,964,251	8,798,480	1,110,073,519	11,218,330	6,825,037,770
1899....	2,820,950	6,481,154,483	10,050,847	1,298,125,522	12,871,797	7,774,280,005
1900....	3,176,051	7,093,152,380	11,219,296	1,468,986,366	14,395,347	8,562,138,746
1901....	3,693,702	7,952,989,395	12,337,022	1,640,857,553	16,030,724	9,593,846,948
1902....	4,160,088	8,701,587,912	13,448,124	1,806,890,864	17,608,212	10,508,478,776
1903....	4,694,021	9,593,008,148	14,603,694	1,977,599,397	19,297,715	11,570,607,545
1904....	5,507,759	10,412,078,338	15,674,384	2,135,859,103	21,182,143	12,547,937,441

## INCOME, PAYMENTS, ASSETS, ETC., FROM 1880 TO 1904.

Year ended Dec. 31—	Total income.	Total payments to policy holders.	Assets.	Liabilities.	Surplus.
	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
1880.....	80,537,990	55,831,794	452,680,651	.....	.....
1884.....	101,938,900	61,216,783	519,786,617	.....	.....
1885.....	111,122,174	64,306,995	551,828,336	.....	.....
1886.....	123,614,000	64,029,451	585,201,199	.....	.....
1887.....	137,913,159	71,231,568	619,137,675	.....	.....
1888.....	155,477,074	77,542,039	668,196,883	.....	.....
1889.....	177,607,718	83,031,083	720,237,645	.....	.....
1890.....	196,938,069	90,007,820	770,972,061	678,681,309	92,290,752
1891.....	213,444,589	97,026,344	840,579,127	740,226,450	100,352,677
1892.....	227,622,957	104,506,882	919,342,031	802,677,076	116,664,955
1893.....	241,727,503	112,648,941	987,946,922	868,600,298	119,346,624
1894.....	261,959,111	118,423,246	1,073,156,679	930,937,755	142,218,924
1895.....	271,928,709	125,136,443	1,159,878,889	997,668,526	162,205,363
1896.....	283,726,855	136,179,008	1,243,561,111	1,066,541,285	177,019,826
1897.....	304,945,675	139,405,708	1,344,903,198	1,157,010,946	187,892,252
1898.....	325,452,134	146,804,522	1,462,651,318	1,245,788,245	216,863,073
1899.....	365,368,062	159,987,686	1,595,208,408	1,365,873,943	229,334,465
1900.....	400,603,257	168,687,601	1,742,414,173	1,493,378,709	249,035,464
1901.....	457,965,754	192,398,489	1,910,784,985	1,640,289,306	270,495,679
1902.....	504,527,705	199,883,721	2,091,822,851	1,798,136,861	293,685,990
1903.....	553,639,900	225,842,072	2,265,221,193	1,978,823,571	286,397,622
1904.....	599,081,882	247,052,831	2,498,960,968	2,168,468,541	330,492,427

There are many qualities which we need alike in private citizen and in public man, but three above all—three for the lack of which no brilliancy and no genius can atone—and those three are courage, honesty, and common sense.—President Roosevelt at Antietam, Md., Sept. 17, 1903.

The United States has not the slightest wish to establish a universal protectorate over other American States, or to become responsible for their misdeeds.—From President Roosevelt's The Monroe Doctrine, American Ideals, p. 248.



## INSURANCE STATISTICS—Continued.

Fire and Marine and Casualty and Miscellaneous Insurance  
the United States, 1890 to 1904: Total Income of Com-  
panies and Payments to Policy-holders.

(Data of the Spectator Company, New York, N. Y.)

## FIRE AND MARINE INSURANCE.

Calendar year.	Number of companies.	Stock and mutual companies			
		Total income.	Payments to policy holders—		
			Losses.	Dividends.	Total
		Dollars.	Dollars.	Dollars.	Dollars.
1890.....	580	157,857,983	75,334,517	5,433,495	80,768,0
1891.....	523	163,672,514	89,375,105	5,038,022	94,413,1
1892.....	491	179,044,675	98,874,089	5,990,813	104,864,9
1893.....	489	178,971,022	108,873,368	5,779,257	114,652,6
1894.....	558	176,364,638	94,870,896	6,048,238	100,919,1
1895.....	583	176,300,042	89,673,663	7,705,363	97,379,0
1896.....	541	172,945,625	83,355,538	6,547,922	89,903,4
1897.....	530	176,751,124	79,440,595	7,724,657	87,165,2
1898.....	504	178,320,217	90,051,512	7,923,170	97,974,6
1899.....	475	184,142,217	106,726,658	7,892,714	114,619,3
1900.....	493	198,312,577	108,307,171	8,446,110	116,753,2
1901.....	482	216,452,381	112,007,219	9,011,926	121,019,1
1902.....	489	242,819,167	113,147,727	10,184,285	123,302,0
1903.....	546	258,658,915	112,818,928	11,559,470	124,378,3
1904.....	515	278,669,500	150,953,197	12,827,674	163,782,8

## Lloyd's and Interinsurance

Calendar year.	associations			Total		Paymen to polic holders
	Number of associations.	Total income.	Losses paid.	Number of companies.	Total income.	
		Dollars.	Dollars.		Dollars.	
1890.....	....	.....	.....	580	157,857,983	80,768,0
1891.....	....	.....	.....	523	163,672,514	94,413,1
1892.....	....	.....	.....	491	179,044,675	104,864,9
1893.....	....	.....	.....	489	178,971,022	114,652,6
1894.....	....	.....	.....	558	176,364,638	100,919,1
1895.....	....	.....	.....	583	176,300,042	97,379,0
1896.....	....	.....	.....	541	172,945,625	89,903,4
1897.....	....	.....	.....	530	176,751,124	87,165,2
1898.....	....	.....	.....	504	178,320,217	97,974,6
1899.....	....	.....	.....	475	184,142,217	114,619,3
1900.....	....	.....	.....	493	198,312,577	116,753,2
1901.....	....	.....	.....	482	216,452,381	121,019,1
1902.....	....	.....	.....	489	242,819,167	123,332,0
1903.....	37	2,972,800	1,057,238	583	261,631,715	125,435,6
1904.....	35	2,888,366	1,538,505	550	281,557,866	165,321,3

## CASUALTY AND MISCELLANEOUS INSURANCE (STOCK COMPANIES)

Calendar year.	Number of companies.	Total income.	Paymen to polic holders
		Dollars.	Dollar
1890.....	34	9,758,413	2,933,3
1891.....	41	10,891,707	3,492,8
1892.....	49	12,727,576	4,063,3
1893.....	46	15,140,830	4,815,2
1894.....	41	14,238,564	4,601,2
1895.....	47	18,077,146	5,430,6
1896.....	50	20,154,235	6,494,9
1897.....	53	22,859,866	7,113,8
1898.....	54	23,478,642	7,583,5
1899.....	59	27,117,449	8,802,7
1900.....	62	32,309,619	10,166,7
1901.....	67	39,844,427	12,966,1
1902.....	67	43,980,061	14,952,5
1903.....	73	49,716,644	16,679,9
1904.....	82	55,685,447	19,332,5

It would be hard to find in modern times a better example of successful constructive statesmanship than the American representatives have given to the Philippine Islands.—President Roosevelt at Providence, R. I., August 23, 1902.

“Uncle Joe Cannon’s new platform: “Put none but home made cake in the pantry.”

Our policy is one of fair and equal justice to all men, paying no heed to whether he is rich or poor, nor heeding his race, his creed or his birthplace.—From President Roosevelt’s speech of acceptance.

## MERCHANT MARINE.

## Merchant Marine of the United States: Tonnage of Sailing and Steam Vessels, 1877 to 1905.

(From the reports of the Bureau of Navigation, Department of Commerce and Labor.)

Year ended June 30—	—Sailing vessels*—		—Steam vessels—		—Total—	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
1877.....	20,991	3,071,403	4,395	1,171,197	25,386	4,242,600
1878.....	20,792	3,045,087	4,472	1,167,678	25,264	4,212,765
1879.....	20,642	2,993,429	4,569	1,176,172	25,211	4,169,601
1880.....	19,995	2,856,476	4,717	1,211,558	24,712	4,068,034
1881.....	19,205	2,792,736	4,860	1,264,998	24,065	4,057,734
1882.....	19,177	2,810,107	5,191	1,355,826	24,368	4,165,933
1883.....	18,968	2,822,293	5,249	1,413,194	24,217	4,235,487
1884.....	18,681	2,805,320	5,401	1,465,909	24,082	4,271,229
1885.....	18,564	2,771,017	5,399	1,494,917	23,963	4,265,934
1886.....	18,067	2,608,152	5,467	1,522,984	23,534	4,131,136
1887.....	17,582	2,563,128	5,481	1,542,717	23,063	4,105,845
1888.....	17,587	2,543,846	5,694	1,648,070	23,281	4,191,916
1889.....	17,699	2,541,924	5,924	1,765,551	23,623	4,307,475
1890.....	17,502	2,565,409	5,965	1,859,083	23,467	4,424,497
1891.....	17,683	2,668,495	6,216	2,016,264	23,899	4,684,759
1892.....	17,991	2,690,504	6,392	2,074,417	24,383	4,764,921
1893.....	17,951	2,641,799	6,561	2,183,272	24,512	4,825,071
1894.....	17,060	2,494,599	6,526	2,189,430	23,586	4,684,029
1895.....	16,686	2,423,159	6,554	2,212,801	23,240	4,635,960
1896.....	16,313	2,396,672	6,595	2,307,208	22,903	4,703,880
1897.....	16,034	2,410,462	6,599	2,358,558	22,633	4,769,020
1898.....	15,993	2,377,815	6,712	2,371,923	22,705	4,749,738
1899.....	15,891	2,388,227	6,837	2,476,011	22,728	4,864,238
1900.....	16,280	2,507,042	7,053	2,657,797	23,333	5,164,839
1901.....	16,643	2,603,265	7,414	2,920,953	24,057	5,524,218
1902.....	16,546	2,621,028	7,727	3,176,874	24,273	5,797,902
1903.....	16,371	2,679,257	8,054	3,408,088	24,425	6,087,345
1904.....	16,095	2,696,117	8,463	3,595,418	24,558	6,291,535
1905.....	15,784	2,715,049	8,897	3,741,494	24,681	6,456,543

\*Including canal-boats and barges.

## Tonnage Owned on the Atlantic and Gulf Coasts, the Pacific Coast, and the Northern Lakes and Western Rivers: 1887 to 1905.

(From the reports of the Bureau of Navigation, Department of Commerce and Labor.)

Year ended June 30—	Atlantic and Gulf.	Pacific.	Northern lakes.	Western rivers.	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.
1887.....	2,638,273	356,445	783,722	327,405	4,105,845
1888.....	2,612,841	399,839	874,103	305,083	4,191,916
1889.....	2,599,504	436,273	972,271	299,427	4,307,475
1890.....	2,638,595	428,392	1,063,064	294,446	4,424,497
1891.....	2,780,683	440,858	1,154,870	308,348	4,684,759
1892.....	2,805,916	464,619	1,183,583	310,803	4,764,921
1893.....	2,807,690	457,422	1,261,067	298,892	4,825,071
1894.....	2,712,944	456,359	1,227,401	287,325	4,684,029
1895.....	2,679,779	433,502	1,241,459	281,220	4,635,960
1896.....	2,667,314	437,972	1,324,067	274,527	4,703,880
1897.....	2,647,796	439,012	1,410,103	272,109	4,769,020
1898.....	2,553,739	496,767	1,437,500	261,732	4,749,738
1899.....	2,614,869	539,937	1,446,348	263,084	4,864,238
1900.....	2,727,892	*612,904	1,565,587	258,456	5,164,839
1901.....	†2,854,639	*713,831	1,706,294	249,454	5,524,218
1902.....	†2,985,056	*774,211	1,816,511	222,124	5,797,902
1903.....	†3,157,373	*812,179	1,902,698	215,095	6,087,345
1904.....	†3,252,366	*806,577	2,019,208	213,384	6,291,535
1905.....	†3,398,367	821,710	2,062,147	174,319	6,456,543

\*Including Hawaii.

†Including Porto Rico.

President Roosevelt said in his speech at Minneapolis, April 4, 1903:

This country has and this country needs better paid, better educated, better fed and better clothed workingmen, of a higher type than are to be found in any foreign country. It has and it needs a higher, more vigorous and more prosperous type of tillers of the soil than is possessed by any other country. The business men, the merchants and manufacturers and the managers of the transportation interests show the same superiority when compared with men of their type abroad.

## PENSION LEGISLATION.

Our splendid pension system, which has no precedent in the world's history, and no peer in justice and generosity among the nations of the earth, is a distinctively Republican institution, not one feature of which is due to or has ever been claimed by the Democratic Party.

The total disbursements for pensions from July 1, 1790, to June 30, 1865, was \$96,445,444. Since that time the disbursements have exceeded \$3,450,000,000.

In addition to caring for the disabled soldier the Republican Party has also provided for his widow and children. One provision of the well-known Act of May 9, 1900, is deserving of special consideration. It provides for the well-being of insane, idiotic, or otherwise helpless children, physically or mentally, of the deceased soldiers, by pensioning them *during life*, unless they recover from such disability. Such a provision for the helpless children of soldiers is elsewhere unknown in the world.

Of the recent enactments for the benefit of the Republic's defenders the Republican Party has pride in referring to these generous provisions:

Act of January 15, 1903, providing a pension of \$40 per month for total loss of hearing.

Act of February 28, 1903, providing for restoration to the rolls of a pensioned widow who had remarried and whose second husband has died or from whom she has been divorced without fault upon her part.

Act of March 2, 1903, providing generous increase of pension to those who have lost limbs in the service, the rates running from \$40 to \$100 per month, according to the disability.

Act of March 3, 1903, providing an increase of pension to \$12 per month to all Mexican War survivors.

The survivors of all the Indian wars and disturbances were provided for by the Act of June 27, 1902, as well as their widows. (Wars, etc., up to 1856.)

## Order 78.

No single act of this Administration has aroused such determined opposition from the Democratic minority in Congress as the order of the Commissioner of Pensions, cordially approved by the Secretary of the Interior and the President, bringing within the benefits of the pension laws all veterans who have reached the age of 62 years and over, in these terms:

"(1) In the adjudication of pension claims under said act of June 27, 1890, as amended, it shall be taken and considered as an evidential fact, if the contrary does not appear, and if all other legal requirements are properly met, that when a claimant has passed the age of 62 years he is disabled one-half in ability to perform manual labor and is entitled to be rated at six dollars per month; after 65 years at eight dollars per month; after 68 years at ten dollars per month, and after 70 years at twelve dollars per month.

"(2) Allowances at higher rate, not exceeding twelve dollars per month, will continue to be made as heretofore, where disabilities other than age show a condition of inability to perform manual labor.

"(3) This order shall take effect April 13, 1904, and shall not be deemed retroactive. The former rules of the office fixing the minimum and maximum at 65 and 75 years, respectively, are hereby modified as above."

As will be noticed, this is not new legislation, as opponents of the system contend, but a construction of the Act, which is within the always acknowledged competency of the Department.

The following statutory confirmation of the above order is found in the Pension Appropriation Bill passed at the last session of Congress and approved April 24, 1906:

*And provided further*, That the age of 62 years and over shall be considered a permanent specific disability within the meaning of the pension laws.



# PENSIONS.

Pensioners: Number on the Rolls, First Payments and Amounts of Disbursements for Pensions, 1861 to 1905.

Year ended June 30—	Number of pensioners on the rolls			Total disbursements for pensions.	Cost, maintenance, and expenses.
	Invalids.	Widows, etc.	Total.		
				Dollars.	Dollars.
1861.....	4,337	4,299	8,636	1,072,461.55	.....
1862.....	4,341	3,818	8,159	790,384.76	.....
1863.....	7,821	6,970	14,791	1,025,139.91	.....
1864.....	23,479	27,656	51,135	4,504,616.92	.....
1865.....	35,880	50,106	85,986	8,525,153.11	.....
1866.....	55,652	71,070	126,722	15,450,549.88	407,165.00
1867.....	71,856	83,618	155,474	20,784,789.69	490,977.35
1868.....	75,957	93,686	169,643	23,101,509.36	553,020.34
1869.....	82,859	105,104	187,963	28,513,247.27	564,526.81
1870.....	87,521	111,165	198,686	29,351,488.78	600,997.86
1871.....	93,394	114,101	207,495	28,518,792.62	863,079.00
1872.....	113,954	118,275	232,229	29,752,746.81	951,253.00
1873.....	119,500	118,911	238,411	26,982,063.89	1,003,200.64
1874.....	121,628	114,613	236,241	30,206,778.99	966,794.13
1875.....	122,989	111,832	234,821	29,270,404.76	982,695.35
1876.....	124,239	107,898	232,137	27,936,209.53	1,015,078.81
1877.....	123,723	103,381	232,104	28,182,821.72	1,034,459.33
1878.....	131,649	92,349	223,998	26,786,009.44	1,032,500.09
1879.....	138,615	104,140	242,755	33,664,428.92	837,734.14
1880.....	145,410	105,392	250,802	56,689,229.08	935,027.28
1881.....	164,110	104,720	268,830	50,583,405.35	1,072,059.64
1882.....	182,633	103,064	285,697	54,313,172.05	1,466,236.01
1883.....	206,042	97,616	303,658	60,427,573.81	2,591,648.29
1884.....	225,470	97,286	322,756	57,912,387.47	2,835,181.00
1885.....	247,146	97,979	345,125	65,171,937.12	3,392,576.34
1886.....	270,346	95,437	365,783	64,091,142.90	3,245,016.61
1887.....	306,298	99,709	406,007	73,752,997.08	3,753,400.91
1888.....	343,701	108,856	452,557	78,950,501.67	3,515,057.27
1889.....	373,699	116,026	489,725	88,842,720.58	3,466,968.40
1890.....	415,654	122,290	537,944	106,093,850.39	3,526,382.13
1891.....	536,821	139,339	676,160	117,312,690.50	4,700,636.44
1892.....	703,242	172,826	876,068	139,394,147.11	4,898,665.80
1893.....	759,706	206,306	966,012	156,906,637.94	4,867,734.42
1894.....	754,382	215,162	969,544	139,986,726.17	3,963,976.31
1895.....	751,456	219,068	970,524	139,812,294.30	4,338,020.21
1896.....	748,514	222,164	970,678	138,220,704.46	3,991,375.61
1897.....	747,492	228,522	976,014	139,949,717.35	3,987,733.07
1898.....	758,511	235,203	993,714	144,651,879.80	4,114,091.46
1899.....	754,104	237,415	991,519	138,355,052.95	4,147,517.73
1900.....	752,510	241,019	993,529	138,462,130.65	3,841,706.74
1901.....	743,649	249,086	997,735	138,531,483.84	3,868,795.44
1902.....	739,443	260,003	999,446	137,504,267.99	3,831,378.96
1903.....	729,356	267,189	996,545	137,759,653.71	3,993,216.79
1904.....	720,921	273,841	994,762	141,093,571.49	3,849,366.25
1905.....	717,761	280,680	998,441	141,142,861.33	3,721,832.82

The following amounts have been paid soldiers, their widows, minor children, and dependent relatives on account of military and naval service during the wars in which the United States has been engaged:

War of the Revolution (estimated).....	\$70,000,000.00
War of 1812 (on account of service, without regard to disability) .....	45,440,790.97
Indian wars (on account of service, without regard to disability) .....	7,637,268.53
War with Mexico (on account of service, without regard to disability) .....	36,682,848.87
War of the rebellion.....	3,144,395,405.26
War with Spain.....	11,996,198.63
Regular establishment.....	4,707,510.72

Actual total disbursements in pensions..... \$3,320,860,022.98

“The gates of Castle Garden swing inward. . . . These men who have toiled at wages in other lands that barely sustained life, and opened no avenue of promise to them or their children, know the good land of hope, as well as the swallow knows the land of summer. They testify that here there are better conditions, wider and more hopeful prospects for workmen than in any other land.”—Benjamin Harrison, 1888.

“The Republican Party stands for honest money and the chance to earn it by honest toil.”—William McKinley.

## GOLD IMPORTS AND EXPORTS.

Gold Coin and Bullion Imported and Exported and Annual Excess of Imports or Exports: Values, 1856 to 1905.

Year ended June 30—	Exports.			Imports. Dollars.	-Excess of-	
	Domestic.* Dollars.	Foreign. Dollars.	Total. Dollars.		Exports over imports. Dollars.	Imports over exports. Dollars.
1856.....	44,148,279	852,698	.....	990,305	.....	.....
1857.....	60,078,352	5,154,301	.....	6,654,636	.....	.....
1858.....	42,407,246	7,595,558	.....	11,566,068	.....	.....
1859.....	57,502,305	3,605,748	.....	2,125,397	.....	.....
1860.....	56,946,851	1,499,188	.....	2,508,786	.....	.....
1861.....	23,799,870	3,624,103	.....	42,291,930	.....	.....
1862.....	31,044,651	4,395,252	.....	13,907,011	.....	.....
1863.....	55,993,562	6,169,276	.....	5,530,538	.....	.....
1864.....	97,134,624	3,527,010	100,661,634	11,176,769	89,484,865	.....
1865.....	56,558,706	1,822,327	58,381,033	6,498,228	51,882,805	.....
1866.....	70,127,466	1,069,843	71,197,309	8,196,261	63,001,048	.....
1867.....	36,229,676	2,796,951	39,026,627	17,024,866	22,001,761	.....
1868.....	68,231,158	4,165,186	72,396,344	8,737,443	63,658,901	.....
1869.....	28,442,776	7,560,722	36,003,498	14,132,568	21,870,930	.....
1870.....	28,580,609	5,055,353	33,635,962	12,056,950	21,579,012	.....
1871.....	64,581,678	2,104,530	66,686,208	6,883,561	59,802,647	.....
1872.....	48,377,502	1,171,258	49,548,760	8,717,458	40,831,302	.....
1873.....	44,472,038	384,677	44,856,715	8,682,447	36,174,268	.....
1874.....	32,645,486	1,396,934	34,042,420	19,503,137	14,539,283	.....
1875.....	61,543,545	5,437,432	66,980,977	13,696,793	53,284,184	.....
1876.....	29,431,757	1,745,293	31,177,050	7,992,709	23,184,341	.....
1877.....	22,359,101	4,231,273	26,590,374	26,246,234	344,140	.....
1878.....	6,632,570	2,571,885	9,204,455	13,330,215	.....	4,125,760
1879.....	4,145,085	442,529	4,587,614	5,624,948	.....	1,037,334
1880.....	1,775,039	1,863,986	3,639,025	80,758,296	.....	77,119,371
1881.....	1,826,307	738,825	2,565,132	100,031,259	.....	97,466,127
1882.....	31,403,625	1,184,255	32,587,880	34,377,054	.....	1,789,174
1883.....	8,920,909	2,679,979	11,600,888	17,734,149	.....	6,133,261
1884.....	35,294,204	5,787,753	41,081,957	22,831,317	18,250,640	.....
1885.....	2,741,559	5,736,333	8,477,892	26,691,696	.....	18,213,804
1886.....	32,766,066	10,186,125	42,952,191	20,743,349	22,208,842	.....
1887.....	5,705,304	3,995,883	9,701,187	42,910,601	.....	33,209,414
1888.....	12,560,084	5,816,150	18,376,234	43,934,317	.....	25,558,083
1889.....	54,930,332	5,021,953	59,952,285	10,284,858	49,667,427	.....
1890.....	13,403,632	3,870,859	17,274,491	12,943,342	4,331,149	.....
1891.....	84,939,551	1,423,103	86,362,654	18,232,567	68,130,087	.....
1892.....	43,321,351	6,873,976	50,195,327	49,699,454	495,873	.....
1893.....	102,068,153	6,612,691	108,680,844	21,174,381	87,506,463	.....
1894.....	64,487,354	12,490,707	76,978,061	72,449,119	4,528,942	.....
1895.....	56,218,307	10,250,174	66,468,481	36,384,760	30,083,721	.....
1896.....	106,934,336	5,475,611	112,409,947	33,525,065	78,884,882	.....
1897.....	39,152,522	1,209,058	40,361,580	85,014,780	.....	44,653,200
1898.....	10,470,371	4,936,020	15,406,391	120,391,674	.....	104,985,283
1899.....	27,478,412	10,043,674	37,522,086	88,954,603	.....	51,432,517
1900.....	46,693,893	1,572,866	48,266,759	44,573,184	3,693,575	.....
1901.....	52,635,309	549,868	53,185,177	66,051,187	.....	12,866,010
1902.....	46,761,438	1,807,512	48,568,950	52,021,254	.....	3,452,304
1903.....	44,584,640	2,505,955	47,090,595	44,982,027	2,108,568	.....
1904.....	79,195,987	2,263,999	81,459,986	99,055,368	.....	17,595,382
1905.....	86,146,743	6,447,281	92,594,024	53,648,961	38,945,063	.....

\*Gold and silver cannot be separately stated prior to 1864, but it is probable that the greater portion of the exports was gold.

If necessary for our welfare, then, of course, Congress must consider the question of changing the laws as a whole or changing any given rates of duty, but we must remember that whenever even a single schedule is considered some interests will appear to demand a change in almost every schedule in the law; and when it comes to upsetting the schedules generally the effect upon the business interests of the country would be ruinous.—President Roosevelt at Minneapolis, April 4, 1903.

This is not and never shall be a government of a plutocracy; it is not and never shall be a government by a mob. It is, as it has been and as it will be, a government in which every honest man, every decent man, be he employer or employed, wage-worker, mechanic, banker, lawyer, farmer, be he who he may, if he acts squarely and fairly, if he does his duty by his neighbor and the State, receives the full protection of the law and is given amplest chance to exercise the ability that there is within him, alone or in combination with his fellows, as he desires.—President Roosevelt at Butte, Mont., May 27, 1903.

## SILVER IMPORTS AND EXPORTS.

Silver Coin and Bullion Imported and Exported and Annual  
Excess of Exports Over Imports: Values, 1856 to 1905.

Year ended June 30—	Exports.			Imports. Dollars.	Excess of exports over imports. Dollars.
	Domestic.* Dollars.	Foreign. Dollars.	Total. Dollars.		
1856.....		744,508		3,217,327	
1857.....		3,904,269		5,807,163	
1858.....		2,630,343		7,708,428	
1859.....		2,779,358		5,309,392	
1860.....		8,100,200		6,041,349	
1861.....		2,367,107		4,047,681	
1862.....		1,447,737		2,508,041	
1863.....		1,993,773		4,053,567	
1864.....	3,333,938	1,395,969	4,734,907	1,938,843	2,796,064
1865.....	8,059,418	1,202,775	9,262,193	3,311,844	5,950,349
1866.....	12,515,908	2,330,854	14,846,762	2,503,831	12,342,931
1867.....	18,746,520	3,095,225	21,841,745	5,045,609	16,796,136
1868.....	15,514,817	5,872,941	21,387,758	5,450,925	15,936,833
1869.....	14,473,190	6,661,692	21,134,882	5,675,308	15,459,574
1870.....	15,303,193	9,216,511	24,519,704	14,362,229	10,157,475
1871.....	19,821,681	11,934,099	31,755,780	14,386,463	17,369,317
1872.....	24,420,738	5,908,036	30,328,774	5,026,231	25,302,543
1873.....	29,433,508	10,318,351	39,751,859	12,798,490	26,953,369
1874.....	27,054,200	5,533,785	32,587,985	8,951,769	23,636,216
1875.....	22,313,584	2,837,581	25,151,165	7,203,924	17,947,241
1876.....	20,606,934	4,722,318	25,329,252	7,943,972	17,385,280
1877.....	20,775,637	8,796,226	29,571,863	14,528,180	15,043,683
1878.....	20,429,315	4,106,355	24,535,670	16,491,099	8,044,571
1879.....	13,409,950	6,999,877	20,409,827	14,671,052	5,738,775
1880.....	7,572,854	5,931,040	13,503,894	12,275,914	1,227,980
1881.....	12,400,637	4,441,078	16,841,715	10,544,238	6,297,477
1882.....	12,076,646	4,752,953	16,829,599	8,095,336	8,734,263
1883.....	12,702,272	7,517,173	20,219,445	10,755,242	9,464,203
1884.....	14,931,431	11,119,995	26,051,426	14,594,945	11,456,481
1885.....	21,634,551	12,119,082	33,753,633	16,550,627	17,203,006
1886.....	19,158,051	10,353,168	29,511,219	17,850,307	11,660,912
1887.....	17,005,036	9,291,468	26,296,504	17,260,191	9,036,313
1888.....	20,635,420	7,402,529	28,037,949	15,403,669	12,634,280
1889.....	25,284,662	11,404,586	36,689,248	18,678,215	18,011,033
1890.....	22,378,557	12,495,372	34,873,929	21,032,984	13,840,945
1891.....	14,033,714	8,557,274	22,590,988	18,026,880	4,564,108
1892.....	16,765,067	16,045,492	32,810,559	19,955,086	12,855,473
1893.....	23,559,254	17,178,065	40,737,319	23,193,252	17,544,067
1894**.....	39,069,087	11,382,178	50,451,265	13,286,552	37,164,713
1895**.....	40,119,428	7,175,858	47,295,286	20,211,179	27,084,107
1896**.....	53,196,559	7,345,111	60,541,670	28,777,186	31,764,484
1897**.....	56,541,823	5,404,815	61,946,638	30,533,227	31,413,411
1898**.....	47,829,645	7,275,594	55,105,239	30,927,781	24,177,458
1899**.....	51,168,770	5,150,285	56,319,055	30,675,056	25,643,999
1900**.....	52,464,345	4,247,930	56,712,275	35,256,302	21,455,973
1901**.....	58,778,779	5,506,401	64,285,180	36,386,521	27,898,659
1902**.....	45,971,249	3,761,141	49,732,390	28,232,254	21,500,136
1903**.....	40,121,497	4,128,762	44,250,259	24,163,491	20,086,768
1904**.....	37,986,864	11,485,838	49,472,702	27,768,814	21,703,888
1905**.....	36,764,431	12,084,381	48,848,812	27,484,865	21,363,947

\*Gold and silver cannot be separately stated prior to 1864, but it is probable that the greater portion of the exports was gold.

\*\*Includes silver in ore.

## THE YEAR'S TRADE STATISTICS.

"All new records" was the triumphant caption over the records of foreign trade at this time last year. Now we put upon record facts making last year's seem almost paltry. The increase in exports is \$225,201,946, and in imports \$109,102,308. Truly a good growth. The first billion-dollar mark in our exports was reached in 1892. Four lean years followed, but the billions have been unbroken since 1897. Soon it will be two billions, but last year it was only \$1,743,763,612. It was in 1903 that we reached the billion standard in our imports, and when we reached it we did not hold it. The year just closed, however, shows that then it was handsomely exceeded, the aggregate being \$1,226,615,379. The total falls just a trifle short of the sentimental three billions upon which all lovers of records and big things had set their hearts. The aggregate is only \$2,970,378,991, but the lacking \$30,000,000 will hardly prevent this year going into the three-billion class in popular phrase. The biggest total trade, however, does not yield the biggest excess of exports, \$517,148,233, comparing with \$604,592,826 in the famous year of 1901. The excess upon merchandise movement brings us only one-tenth its face in excess of imports of gold, or precisely \$57,653,320. It is rather surprising that it brought us so much, for it is recognized that the movement of gold is related rather to banking and financial considerations than to trade. These are figures to be proud of, and yet they are good but for a single twelvemonth. If promise is any index to performance, the year now a fortnight old will enable us, next July, to repeat the words with which these remarks began.—New York Times (Democratic), July 18, 1906.



# FOREIGN CARRYING TRADE IN AMERICAN VESSELS, ETC.

## Foreign Carrying Trade of the United States in American and Foreign Vessels: Values, 1859 to 1905.

(Merchandise and specie to 1879, inclusive; merchandise only after 1879.)

### TOTAL UNITED STATES IMPORTS AND EXPORTS.

Year ended June 30—	By sea					
	In American vessels.	In foreign vessels.	Total	Per cent. in American vessels.	By land vehicles.	Total by land and sea.
	Dollars.	Dollars.	Dollars.		Dollars.	Dollars.
1859.....	465,741,381	229,816,211	695,557,592	66.9	.....	695,557,592
1860.....	507,247,757	255,040,793	762,288,550	66.5	.....	762,288,550
1861.....	381,516,788	203,478,278	584,995,066	65.2	.....	584,995,066
1862.....	217,695,418	218,015,296	435,710,714	50.0	.....	435,710,714
1863.....	241,872,471	343,056,031	584,928,502	41.4	.....	584,928,502
1864.....	184,061,486	485,193,548	669,855,034	27.5	.....	669,855,034
1865.....	167,402,872	437,010,124	604,412,996	27.7	.....	604,412,996
1866.....	325,711,861	685,226,691	1,010,938,552	32.2	.....	1,010,938,552
1867.....	297,834,904	581,330,403	879,165,307	33.9	.....	879,165,307
1868.....	297,981,573	550,546,074	848,527,647	35.1	.....	848,527,647
1869.....	289,956,772	586,492,012	876,448,784	33.2	.....	876,448,784
1870.....	352,969,401	638,927,488	991,896,889	35.6	.....	991,896,889
1871.....	353,664,172	755,822,576	1,109,486,748	31.9	22,985,510	1,132,472,258
1872.....	345,331,101	839,346,362	1,184,677,463	29.2	27,650,770	1,212,328,233
1873.....	346,306,592	966,722,651	1,313,029,243	26.4	27,869,978	1,340,899,221
1874.....	350,451,994	939,206,106	1,289,658,100	27.2	23,022,540	1,312,680,640
1875.....	314,257,792	884,788,517	1,199,046,309	26.2	20,388,735	1,219,434,544
1876.....	311,076,171	813,354,987	1,124,431,158	27.7	18,473,154	1,142,904,312
1877.....	316,660,281	859,920,536	1,176,580,817	26.9	17,464,810	1,194,045,627
1878.....	313,050,906	876,991,129	1,190,042,035	26.3	20,477,364	1,210,519,399
1879.....	272,015,692	911,269,232	1,183,284,924	23.0	19,423,685	1,202,708,609
1880.....	258,346,577	1,224,265,434	1,482,612,011	17.4	20,981,393	1,503,593,404
1881.....	250,586,470	1,269,002,983	1,519,589,453	16.5	25,452,521	1,545,041,974
1882.....	227,229,745	1,212,978,769	1,440,208,514	15.8	34,973,317	1,475,181,831
1883.....	240,420,500	1,258,506,924	1,498,927,424	16.0	48,092,892	1,547,020,316
1884.....	233,693,035	1,127,798,199	1,361,497,234	17.2	46,714,068	1,408,211,302
1885.....	194,865,743	1,079,518,566	1,274,384,309	15.3	45,332,775	1,319,717,084
1886.....	197,349,503	1,073,911,113	1,271,260,616	15.5	43,700,350	1,314,960,966
1877.....	194,356,746	1,165,194,508	1,359,551,254	14.3	48,951,725	1,408,502,979
1888.....	190,857,473	1,174,697,321	1,365,554,794	14.0	54,356,827	1,419,911,621
1889.....	203,805,108	1,217,063,541	1,420,868,649	14.3	66,664,378	1,487,533,027
1890.....	202,451,086	1,371,116,744	1,573,567,830	12.9	73,571,263	1,647,139,093
1891.....	206,459,725	1,450,081,087	1,656,540,812	12.5	72,856,194	1,729,397,006
1892.....	220,173,735	1,564,559,651	1,784,733,386	12.3	72,947,224	1,857,680,610
1893.....	897,765,507	1,428,316,568	1,626,082,075	12.2	87,984,041	1,714,066,116
1894.....	195,268,216	1,273,022,456	1,468,290,672	13.3	78,844,522	1,547,135,194
1895.....	170,507,196	1,285,896,192	1,456,403,388	11.7	83,104,742	1,539,508,130
1896.....	187,691,887	1,377,973,521	1,565,665,408	12.0	96,666,204	1,662,331,612
1897.....	189,075,277	1,525,753,766	1,714,829,043	11.0	100,894,925	1,815,723,968
1898.....	161,328,017	1,582,492,479	1,743,820,496	9.3	103,711,488	1,847,531,984
1899.....	160,612,206	1,646,263,857	1,806,876,063	8.9	117,295,728	1,924,171,791
1900.....	195,084,192	1,894,444,424	2,089,528,616	9.3	154,895,650	2,244,424,266
1901.....	177,398,615	1,974,536,796	2,151,935,411	8.2	159,001,745	2,310,937,156
1902.....	185,819,987	1,919,029,314	2,104,849,301	8.8	180,191,048	2,285,040,349
1903.....	214,695,032	2,026,106,388	2,240,801,420	9.6	205,059,496	2,445,860,916
1904.....	229,735,119	2,001,203,514	2,230,938,633	10.3	220,976,009	2,451,914,642
1905.....	290,607,946	2,103,201,462	2,393,809,408	12.1	242,265,329	2,636,074,737

### The American Merchant Marine.

It is doubtful if the fact is generally known that in the year 1905 a larger volume of the imports and exports of the United States was carried in American vessels than in any other year since 1879. In the latter year the total value of the merchandise transported in American bottoms was \$272,015,692, as compared with \$290,607,946 last year. It is only proper to remark, however, that in this respect 1905 was an extraordinary year, for in no other year during the past quarter of a century has the foreign carrying trade in American vessels exceeded, or even closely approximated, that for the year 1879. At the same time it is highly important to note that American vessels carried 23 per cent. of our imports and exports in 1879 and only 12.1 per cent. in 1905. Indeed, from 1879 to 1901 the decline in the proportionate amount carried by American vessels was almost uninterrupted, reaching 8.2 per cent. in the latter year. Since then there has been a fairly steady and substantial recovery.

In view of the energetic efforts of the shipping interests to secure the passage of the ship subsidy bill it may be instructive to inquire more in detail as to the extent of the decline indicated above. For this purpose we present the following table, showing the total value of the imports and exports carried by American and foreign vessels for various years since 1860.

Years.	In American Vessels.	In Foreign Vessels.	Per cent. American.
1860.....	\$507,247,757	\$255,040,793	66.5
1870.....	352,969,401	638,927,483	35.6
1875.....	314,257,792	884,788,517	26.2
1880.....	258,346,577	1,224,265,434	17.4
1885.....	194,865,743	1,079,518,566	15.3
1890.....	202,451,086	1,371,116,744	12.9
1895.....	170,507,196	1,285,896,192	11.7
1900.....	195,084,192	1,894,444,424	9.3
1905.....	290,607,946	2,103,201,462	12.1

The deplorable condition of the American merchant marine is graphically set forth in the foregoing table. The fact that this steady deterioration has been accompanied by an unparalleled increase in all forms of material prosperity throughout the country is the source of considerable mystification. Whatever the cause may be, however, there can be no question about the desirability of obtaining for American ships a much larger share of our tremendous foreign-carrying trade. Thousands of our industries are now so strongly established that the country can well afford to drop many other projects for the time being in order to devote itself to the rehabilitation of our merchant marine. The subject is of such vast importance that every effort should be made to keep it before the attention of Congress until an adequate remedy is provided.—*Boston Commercial Bulletin*.

### IMPORTS AND RECEIPTS, PER CAPITA.

Year.	Internal Revenue		Merchandise imported for consumption per capita.	Customs Revenue			
	Collected per capita.	Expenses of collecting.		Duty collected per capita.	Aver. ad valorem rate of duty—	On free and duti- able.	Expenses of col- lecting customs revenue.
	Dolls.	P.cent.	Dolls.	Dolls.	P.cent.	P.cent.	P.cent.
1871.....	3.62	5.30	12.65	5.12	43.95	38.94	3.18
1872.....	3.22	4.36	13.80	5.23	41.35	37.00	3.21
1873.....	2.75	4.69	15.91	4.44	38.07	26.95	3.76
1874.....	2.39	4.40	13.26	3.75	38.53	26.88	4.49
1875.....	3.52	3.89	11.97	3.51	40.62	28.20	4.47
1876.....	2.59	3.38	10.29	3.22	44.74	30.19	4.53
1877.....	2.56	2.99	9.49	2.77	42.89	26.68	4.96
1878.....	2.32	2.96	9.21	2.67	42.75	27.13	4.47
1879.....	2.32	3.10	8.99	2.73	44.87	28.97	3.96
1880.....	2.47	2.95	12.51	3.64	43.48	29.07	3.23
1881.....	2.64	3.20	12.63	3.78	43.20	29.75	3.22
1882.....	2.79	2.80	13.64	4.12	42.66	30.11	2.95
1883.....	2.69	3.06	13.05	3.92	42.45	29.92	3.07
1884.....	2.21	3.47	12.16	3.47	41.61	28.44	3.44
1885.....	2.00	3.42	10.32	3.17	45.86	30.59	3.58
1886.....	2.03	3.06	10.89	3.30	45.55	30.13	3.33
1887.....	2.02	3.22	11.65	3.65	47.10	31.02	3.16
1888.....	2.07	2.92	11.88	3.60	45.63	29.99	3.27
1889.....	2.13	2.88	12.10	3.60	45.13	29.50	3.14
1890.....	2.28	2.65	12.35	3.62	44.41	29.12	2.98
1891.....	2.23	2.75	13.38	3.40	46.28	25.25	3.17
1892.....	2.36	2.52	12.50	2.68	48.71	21.26	3.74
1893.....	2.43	2.57	12.73	3.00	49.58	23.49	3.32
1894.....	2.17	2.55	9.41	1.92	50.06	20.25	5.15
1895.....	2.08	2.62	10.61	2.17	41.75	20.23	4.43
1896.....	2.09	2.62	10.81	2.23	39.95	20.67	4.52
1897.....	2.05	2.46	11.02	2.41	42.17	21.89	4.01
1898.....	2.34	2.17	8.05	1.99	48.80	24.77	4.78
1899.....	3.68	1.59	9.22	2.72	52.07	29.48	3.57
1900.....	3.87	1.51	10.88	3.01	49.24	27.62	3.20
1901.....	3.96	1.43	10.53	3.01	49.64	28.91	3.23
1902.....	3.44	1.60	11.39	3.17	49.78	27.95	3.13
1903.....	2.87	1.94	12.54	3.48	49.03	27.85	2.98
1904.....	2.85	1.94	12.01	3.16	48.78	26.30	3.32
1905.....	2.82	1.85	13.08	3.11	45.24	23.77	3.48

## PRICE OF SILVER BULLION.

Bullion Value of 371 1-4 Grains of Pure Silver at the Annual Average Price of Silver Each Year; 1850 to 1905.

(Prepared by the Director of the Mint.)

Calendar year.	Bullion value. Dollars.	Calendar year.	Bullion value. Dollars.
1850.....	1.018	1878.....	0.89222
1851.....	1.034	1879.....	.86928
1852.....	1.025	1880.....	.88564
1853.....	1.042	1881.....	.87575
1854.....	1.042	1882.....	.87833
1855.....	1.039	1883.....	.85754
1856.....	1.039	1884.....	.85904
1857.....	1.046	1885.....	.82379
1858.....	1.039	1886.....	.76931
1859.....	1.052	1887.....	.75755
1860.....	1.045	1888.....	.72683
1861.....	1.031	1889.....	.72325
1862.....	1.041	1890.....	.80927
1863.....	1.040	1891.....	.76416
1864.....	1.040	1892.....	.67401
1865.....	1.035	1893.....	.60351
1866.....	1.036	1894.....	.49097
1867.....	1.027	1895.....	.50587
1868.....	1.035	1896.....	.52257
1869.....	1.024	1897.....	.46745
1870.....	1.027	1898.....	.45640
1871.....	1.025	1899.....	.46525
1872.....	1.022	1900.....	.47958
1873.....	.00368	1901.....	.46093
1874.....	.98909	1902.....	.40835
1875.....	.96086	1903.....	.41960
1876.....	.90039	1904.....	.44763
1877.....	.92958	1905.....	.47200

## EXPORTS OF DOMESTIC MERCHANDISE

Year.	Total exports per capita.		Exports of agricultural products, per cent. of total exports.		Exports of products of manufacture, per cent. of total exports		—Per cent. of product exported—				
	Dolls.	Per cent.	Per cent.	Per cent.	Cotton	Wheat and wheat flour.	Corn and corn meal.	Bitumin- ous coal.	Crude min- eral oil.		
1871.....	10.83	70.74	.....	72.39	22.30	0.98	....	78.96	71.23		
1872.....	10.55	74.13	.....	67.44	16.88	3.60	....	71.23	85.70		
1873.....	12.12	76.10	.....	65.47	20.80	3.68	....	73.06	58.13		
1874.....	13.31	79.37	.....	70.03	32.54	3.86	....	58.13	56.77		
1875.....	11.36	76.95	16.57	70.69	23.60	3.53	....	97.02	72.67		
1876.....	11.64	71.67	17.08	70.75	25.34	3.86	0.85	71.47	61.17		
1877.....	12.72	72.63	21.16	68.97	19.73	5.66	1.11	43.22	58.85		
1878.....	14.30	77.07	17.79	71.23	25.29	6.49	1.03	47.22	62.35		
1879.....	14.29	78.12	16.72	67.74	35.16	6.33	.81	67.24	76.07		
1880.....	16.43	83.25	12.48	65.73	40.18	6.43	.67	60.13	57.77		
1881.....	17.23	82.63	12.92	68.47	37.38	5.46	.50	63.30	53.09		
1882.....	13.97	75.31	18.38	67.23	31.82	3.71	.65	43.80	37.35		
1883.....	14.98	77.00	16.69	67.20	29.33	2.58	.76	45.10	53.26		
1884.....	13.20	73.98	18.81	67.56	26.49	2.99	.90	50.76	47.44		
1885.....	12.94	72.96	20.25	68.96	25.86	2.95	.93	44.78	47.17		
1886.....	11.60	72.82	20.50	64.68	26.48	3.35	.82	45.73	45.13		
1887.....	11.98	74.40	19.45	68.71	33.66	2.48	.97	43.83	42.63		
1888.....	11.40	73.23	19.05	65.83	26.23	1.74	.99	28.32	25.84		
1889.....	11.92	72.87	18.99	69.33	21.31	3.57	.92	24.55	24.55		
1890.....	13.50	74.51	17.87	68.15	22.31	4.85	1.33	24.55	24.55		
1891.....	13.66	73.69	19.37	67.36	26.60	2.15	1.48	24.55	24.55		
1892.....	15.61	78.60	15.61	65.13	36.88	3.72	1.62	24.55	24.55		
1893.....	12.98	74.05	19.02	65.99	37.20	2.89	1.57	24.55	24.55		
1894.....	12.85	72.28	21.14	71.20	41.47	4.11	1.90	24.55	24.55		
1895.....	11.51	69.73	23.14	69.83	31.46	2.26	2.24	24.55	24.55		
1896.....	12.29	66.02	26.48	65.00	27.07	4.70	1.86	24.55	24.55		
1897.....	14.42	66.23	26.87	70.59	33.93	7.83	1.94	24.55	24.55		
1898.....	16.59	70.54	24.02	67.82	40.91	11.14	2.04	24.55	24.55		
1899.....	16.20	65.19	28.21	65.12	32.97	9.21	2.34	24.55	24.55		
1900.....	17.96	60.98	31.65	65.18	34.00	10.30	3.14	24.55	24.55		
1901.....	13.81	64.62	28.14	62.87	41.36	8.62	3.04	24.55	24.55		
1902.....	17.16	62.83	29.77	64.47	31.37	1.84	2.68	24.55	24.55		
1903.....	17.32	62.73	29.28	65.01	30.28	3.04	2.24	24.55	24.55		
1904.....	17.56	59.48	31.52	60.27	18.92	2.59	2.55	24.55	24.55		
1905.....	17.94	55.03	36.44	61.55	7.99	3.66	2.69	24.55	24.55		



## POST-OFFICES AND POST ROUTES.

Number of Post-Offices, Extent of Post Routes, and Revenue and Expenditures of the Post-Office Department, Including Amounts Paid for Transportation of the Mails, 1879 to 1905.

Year ended June 30—	Postoffices. Number.	Extent of post routes. Miles.	Revenue of the Department. Dollars.	Expended for trans- —portation of—		Total expendi- ture of the Department. Dollars.
				Domestic mail Dollars.	Foreign mail. Dollars.	
1879.....	40,855	316,711	30,041,983	18,953,219	200,026	33,449,899
1880.....	42,989	343,888	33,315,479	20,857,802	199,809	36,542,804
1881.....	44,512	344,006	36,785,398	22,812,429	240,067	39,592,566
1882.....	46,231	343,618	41,876,410	22,460,473	280,501	40,482,021
1883.....	47,858	353,166	45,508,693	23,874,394	316,358	43,282,944
1884.....	50,017	359,530	43,325,959	25,014,478	332,221	47,224,560
1885.....	51,252	365,251	42,560,844	27,035,543	331,903	50,046,235
1886.....	53,614	368,660	43,948,423	27,614,540	391,856	51,004,744
1887.....	55,157	373,142	48,837,609	27,892,646	402,523	53,006,194
1888.....	57,376	403,977	52,695,177	29,347,959	547,395	56,468,315
1889.....	58,999	416,159	56,175,611	32,361,697	541,212	62,317,119
1890.....	62,401	427,990	60,882,098	34,116,243	563,631	66,259,548
1891.....	64,329	439,027	65,931,786	37,547,405	620,987	73,059,519
1892.....	67,119	447,591	70,930,476	39,082,919	774,016	76,980,846
1893.....	68,403	453,833	75,896,933	41,179,555	1,097,867	81,581,681
1894.....	69,805	454,746	75,080,479	45,375,359	1,239,363	84,994,112
1895.....	70,064	456,026	76,983,128	46,336,326	1,173,561	87,179,551
1896.....	70,360	463,313	82,499,208	47,993,067	1,530,864	90,932,670
1897.....	71,022	470,032	82,665,463	48,028,094	1,890,099	94,077,242
1898.....	73,570	480,461	89,012,619	50,444,291	1,760,091	98,033,524
1899.....	75,000	496,949	95,021,384	52,027,901	1,769,851	101,632,161
1900.....	76,688	500,990	102,354,579	54,135,930	2,100,266	107,740,268
1901.....	76,945	511,808	111,631,193	56,002,576	2,148,635	115,554,921
1902.....	75,924	507,540	121,848,047	58,589,968	2,410,473	124,785,697
1903.....	74,169	506,263	134,224,443	62,606,015	2,580,700	138,784,488
1904.....	71,131	496,818	143,582,624	67,027,776	2,697,077	152,862,117
1905.....	68,131	486,805	152,826,485	69,927,689	2,828,703	167,399,169

## RAILWAY-MAIL SERVICE.

Railroad Mileage upon which Mail was Carried, Annual Cost and Average Cost per Mile of Railroad Mail Transportation, and Expenditure for Railway-Mail Service Employees, 1879 to 1905.

Year ended June 30—	Total railroads in operation in United States Dec. 31. Miles.	Railroads upon which mail was carried. Miles.	Annual transpor- tation of mail by railroads. Miles.	Railroad mail trans- —portation—		Railway-Mail —Service—	
				Annual cost. Dollars.	Average an- nual cost per mile. Dollars.	Number of employees.	Annual ex- penditure. Dollars.
1879....	86,556	79,991	93,092,992	9,792,589	0.1051	2,609	2,624,890
1880....	93,262	85,320	96,497,463	10,648,986	.1103	2,946	2,850,980
1881....	103,108	91,569	103,521,229	11,963,117	.1155	3,177	3,108,801
1882....	114,677	100,563	113,995,318	13,127,715	.1151	3,570	3,486,779
1883....	121,422	110,208	129,198,641	13,887,800	.1075	3,855	3,972,071
1884....	125,345	117,160	142,541,392	15,012,603	.1053	3,963	3,688,032
1885....	128,320	121,032	151,910,845	16,627,983	.1095	4,387	4,246,210
1886....	136,338	123,933	165,699,389	17,336,512	.1045	4,573	4,467,717
1887....	149,214	130,949	169,689,866	18,056,272	.1064	4,851	4,694,562
1888....	156,114	143,713	185,485,783	19,524,959	.1052	5,094	4,981,366
1889....	161,276	150,381	204,192,489	21,639,613	.1059	5,448	5,250,838
1890....	166,703	154,779	215,715,680	23,395,232	.1084	5,836	5,562,844
1891....	170,729	159,518	228,719,900	25,183,714	.1101	6,032	5,904,381
1892....	175,170	162,576	239,731,509	27,126,529	.1131	6,417	6,480,684
1893....	177,516	166,952	252,750,574	28,910,195	.1143	6,645	6,733,410
1894....	179,415	169,768	264,717,595	30,358,190	.1146	6,852	6,989,449
1895....	181,115	171,212	267,117,737	31,205,342	.1168	7,045	7,194,220
1896....	182,769	172,794	268,806,324	32,405,797	.1205	7,408	7,594,377
1897....	184,591	173,475	273,190,356	33,876,621	.1240	7,602	7,782,547
1898....	186,810	174,777	281,585,612	34,703,847	.1232	7,999	8,222,504
1899....	190,818	176,727	287,591,269	36,117,875	.1256	8,388	8,610,732
1900....	194,262	179,822	297,256,303	37,793,982	.1271	8,695	8,946,424
1901....	198,743	183,359	302,613,325	38,519,624	.1273	9,105	9,679,037
1902....	202,938	187,130	312,521,478	39,953,608	.1278	9,627	10,264,588
1903....	207,335	192,852	333,491,684	41,886,848	.1256	10,418	11,250,042
1904....	212,349	196,907	353,038,397	44,695,610	.1266	11,621	12,095,437
1905....	.....	200,965	362,645,731	45,576,515	.1256	12,474	13,304,994

## ANALYSIS OF THE PRINCIPAL OF THE PUBLIC DEBT: JULY 1, 1879 TO 1905.

(Prepared in the office of the Secretary of the Treasury.)

July 1—	2 percents. Dollars.	3 percents. Dollars.	3½ percents. Dollars.	4 percents. Dollars.	4½ percents. Dollars.	5 percents. Dollars.	6 percents. Dollars.	Total Interest- bearing debt. Dollars.	Annual Inter- est charge.* Dollars.
1879.....	.....	14,000,000.00	.....	741,522,000.00	250,000,000.00	508,440,350.00	283,681,350.00	1,797,643,700.00	83,773,778.50
1880.....	.....	14,000,000.00	.....	739,347,800.00	250,000,000.00	484,864,900.00	235,780,400.00	1,723,993,100.00	79,633,981.00
1881.....	.....	14,000,000.00	.....	739,347,800.00	250,000,000.00	439,841,350.00	196,378,600.00	1,639,567,750.00	75,018,695.50
1882.....	.....	14,000,000.00	460,461,050.00	739,349,350.00	250,000,000.00	.....	.....	1,463,810,400.00	57,360,110.75
1883.....	.....	318,204,350.00	32,082,600.00	737,942,200.00	250,000,000.00	.....	.....	1,338,229,150.00	51,436,709.50
1884.....	.....	.....	.....	737,951,700.00	250,000,000.00	.....	.....	1,226,563,850.00	47,926,432.50
1885.....	.....	208,190,500.00	.....	737,960,450.00	250,000,000.00	.....	.....	1,196,150,950.00	47,014,133.00
1886.....	.....	158,046,600.00	.....	737,967,500.00	250,000,000.00	.....	.....	1,146,014,100.00	45,510,098.00
1887.....	.....	33,716,500.00	.....	737,975,850.00	250,000,000.00	.....	.....	1,021,692,350.00	41,780,529.50
1888.....	.....	14,000,000.00	.....	714,315,450.00	222,207,050.00	.....	.....	950,522,500.00	38,991,935.25
1889.....	.....	14,000,000.00	.....	676,214,990.00	139,639,000.00	.....	.....	829,853,990.00	33,752,854.60
1890.....	.....	14,000,000.00	.....	602,297,360.00	109,015,750.00	.....	.....	725,313,110.00	29,417,603.15
1891.....	.....	.....	.....	559,659,920.00	50,869,200.00	.....	.....	610,529,120.00	23,615,735.80
1892.....	25,364,500.00	.....	.....	559,664,830.00	.....	.....	.....	585,029,330.00	22,893,883.20
1893.....	25,364,500.00	.....	.....	559,672,600.00	.....	.....	.....	585,037,100.00	22,894,194.00
1894.....	25,364,500.00	.....	.....	559,677,390.00	.....	50,000,000.00	.....	635,041,890.00	25,394,385.60
1895.....	25,364,500.00	.....	.....	590,837,560.00	.....	100,000,000.00	.....	716,202,060.00	29,140,792.40
1896.....	25,364,500.00	.....	.....	721,999,390.00	.....	100,000,000.00	.....	847,363,890.00	34,387,265.60
1897.....	25,364,500.00	.....	.....	722,000,630.00	.....	100,000,000.00	.....	847,365,130.00	34,387,315.20
1898.....	25,364,500.00	.....	.....	722,002,970.00	.....	100,000,000.00	.....	847,367,470.00	34,387,408.80
1899.....	25,364,500.00	198,678,720.00	.....	722,005,530.00	.....	100,000,000.00	.....	1,046,048,750.00	40,347,872.80
1900.....	329,105,200.00	128,843,240.00	.....	517,879,220.00	.....	47,651,200.00	.....	1,023,478,860.00	33,545,130.00
1901.....	445,940,750.00	99,621,420.00	.....	419,724,770.00	.....	21,854,100.00	.....	987,141,040.00	29,789,153.40
1902.....	445,940,750.00	97,515,660.00	.....	368,203,580.00	.....	19,410,350.00	.....	931,070,340.00	27,542,945.50
1903.....	520,143,150.00	83,107,060.00	.....	291,906,150.00	.....	19,385,050.00	.....	914,541,410.00	25,541,573.30
1904.....	542,909,950.00	77,135,360.00	.....	275,082,130.00	.....	.....	.....	895,157,440.00	24,176,745.00
1905.....	542,909,950.00	77,135,360.00	.....	275,112,470.00	.....	.....	.....	895,153,340.00	24,176,781.00

\*The interest charge is computed upon the amount of outstanding principal at the close of the fiscal year.

## ANALYSIS OF THE PRINCIPAL OF THE PUBLIC DEBT: JULY 1, 1879 TO 1905—Continued.

July 1—	Debt on which interest has ceased. Dollars.	Debt bearing no interest.* Dollars.	Outstanding principal. Dollars.	Cash in the Treasury. Dollars.	Total of debt, less cash in Treasury. Dollars.	Population of the United States, June 1.	Debt, less cash in Treasury, per capita. Dollars.	Interest per capita. Dollars.
1879.....	37,015,630.26	410,835,741.78	2,245,495,072.04	249,080,167.01	1,996,414,905.03	48,866,000	40.85	1.71
1880.....	7,621,455.26	388,800,815.37	2,120,415,370.63	201,083,622.88	1,919,326,747.75	50,155,783	38.27	1.59
1881.....	6,723,865.26	422,721,954.32	2,069,013,569.58	249,363,415.35	1,819,650,154.23	51,316,000	35.46	1.46
1882.....	16,260,805.26	438,241,788.77	1,918,312,994.03	243,289,519.78	1,675,023,474.25	52,495,000	31.91	1.09
1883.....	7,831,415.26	538,111,162.81	1,884,171,728.07	345,389,902.92	1,538,781,825.15	53,693,000	28.66	.96
1884.....	19,656,205.26	584,308,868.31	1,830,528,923.57	391,985,228.18	1,438,542,995.39	54,911,000	26.20	.87
1885.....	4,100,995.26	663,712,927.88	1,863,964,873.14	488,612,429.23	1,375,352,443.91	56,148,000	24.50	.84
1886.....	9,704,445.26	619,344,468.52	1,775,063,013.78	492,917,173.34	1,282,145,840.44	57,404,000	22.34	.79
1887.....	6,115,165.26	629,795,077.37	1,657,602,592.63	482,433,917.21	1,175,168,675.42	58,680,000	20.03	.71
1888.....	2,496,095.26	739,840,389.32	1,692,858,984.58	629,854,089.85	1,063,004,894.73	59,974,000	17.72	.65
1889.....	1,911,485.26	787,287,446.97	1,619,052,922.23	643,113,172.01	975,939,750.22	61,289,000	15.92	.53
1890.....	1,815,805.26	825,011,289.47	1,552,140,204.73	661,355,834.20	890,784,370.53	62,622,250	14.22	.47
1891.....	1,614,705.26	933,852,766.35	1,545,996,591.61	694,083,839.83	851,912,751.78	63,844,000	13.34	.37
1892.....	2,785,875.26	1,000,648,939.37	1,588,464,144.63	746,937,681.03	841,526,463.60	65,086,000	12.93	.35
1893.....	2,094,060.26	958,854,525.87	1,545,985,686.13	707,016,210.38	838,969,475.75	66,349,000	12.64	.35
1894.....	1,851,240.26	995,360,506.42	1,632,253,636.68	732,940,256.13	899,313,380.55	67,632,000	13.30	.38
1895.....	1,721,590.26	958,197,332.99	1,676,190,983.25	774,448,016.51	901,742,966.74	68,934,000	13.08	.42
1896.....	1,636,890.26	920,839,543.14	1,769,840,323.40	814,543,069.70	955,297,253.70	70,254,000	13.60	.49
1897.....	1,346,880.26	968,960,655.64	1,817,672,665.90	831,016,579.76	986,656,086.14	71,592,000	13.78	.48
1898.....	1,262,680.26	947,901,845.64	1,796,531,995.90	769,446,503.76	1,027,085,492.14	72,947,000	14.08	.47
1899.....	1,213,300.26	944,660,256.66	1,991,927,306.92	836,607,071.73	1,155,320,235.19	74,318,000	15.55	.54
1900.....	1,176,320.26	1,112,305,911.41	2,136,961,091.67	1,029,249,833.78	1,107,711,257.89	76,303,387	14.52	.44
1901.....	1,415,620.26	1,154,770,273.63	2,143,326,933.89	1,098,587,813.92	1,044,739,119.97	77,647,000	13.45	.38
1902.....	1,280,860.26	1,226,259,245.63	2,158,610,445.89	1,189,153,204.85	969,457,241.04	79,003,000	12.27	.35
1903.....	1,205,090.26	1,286,718,281.63	2,202,464,781.89	1,277,453,144.58	925,011,637.31	80,372,000	11.51	.32
1904.....	1,970,920.26	1,366,875,224.88	2,264,003,585.14	1,296,771,811.39	967,231,773.75	81,752,000	11.83	.30
1905.....	1,370,245.26	1,373,036,478.58	2,274,615,063.84	1,284,748,291.87	989,866,771.97	83,143,000	11.91	.29

\*The column of "Debt bearing no interest" includes certificates issued against gold, silver, and currency deposited in the Treasury.



## CONGRESSIONAL REPRESENTATION.

Apportionment of Congressional Representation: Ratios Under the Constitution and at Each Census, 1790 to 1900, by States.

State.	Ratios under Constitution and censuses												
	Con- stitu- tion. }< 30,000.	1790. }< 33,000.	1800. }< 33,000.	1810. }< 35,000.	1820. }< 40,000.	1830. }< 47,700.	1840. }< 70,680.	1850. }< 93,423.	1860. }< 127,381.	1870. }< 131,425.	1880. }< 151,911.	1890. }< 173,901.	1900. }< 199,102.
	Representation.												
Alabama .....	..	..	..	1	3	5	7	7	6	8	8	9	9
Arkansas .....	..	..	..	..	..	1	1	2	3	4	5	6	7
California .....	..	..	..	..	..	..	2	2	3	4	6	7	8
Colorado .....	..	..	..	..	..	..	..	..	..	1	1	2	3
Connecticut .....	5	7	7	7	6	6	4	4	4	4	4	4	5
Delaware .....	1	1	1	2	1	1	1	1	1	1	1	1	1
Florida .....	..	..	..	..	..	..	1	1	1	2	2	2	3
Georgia .....	3	2	4	6	7	9	8	8	7	9	10	11	11
Idaho .....	..	..	..	..	..	..	..	..	..	..	1	1	1
Illinois .....	..	..	..	1	1	3	7	9	14	19	20	22	25
Indiana .....	..	..	..	1	3	7	10	11	11	13	13	13	13
Iowa .....	..	..	..	..	..	..	2	2	6	9	11	11	11
Kansas .....	..	..	..	..	..	..	..	..	1	3	7	8	8
Kentucky .....	..	2	6	10	12	13	10	10	9	10	11	11	11
Louisiana .....	..	..	..	1	3	3	4	4	5	6	6	6	7
Maine .....	..	..	..	*7	7	8	7	6	5	5	4	4	4
Maryland .....	6	8	9	9	9	8	6	6	5	6	6	6	6
Massachusetts .....	8	14	17	13	13	12	10	11	10	11	12	13	14
Michigan .....	..	..	..	..	..	1	3	4	6	9	11	12	12
Minnesota .....	..	..	..	..	..	..	..	2	2	3	5	7	9
Mississippi .....	..	..	..	1	1	2	4	5	5	6	7	7	8
Missouri .....	..	..	..	..	1	2	5	7	9	13	14	15	16
Montana .....	..	..	..	..	..	..	..	..	..	..	1	1	1
Nebraska .....	..	..	..	..	..	..	..	..	1	1	3	6	6
Nevada .....	..	..	..	..	..	..	..	..	1	1	1	1	1
New Hampshire...	3	4	5	6	6	5	4	3	3	3	2	2	2
New Jersey .....	4	5	6	6	6	6	5	5	5	7	7	8	10
New York .....	6	10	17	27	34	40	34	33	31	33	34	34	37
North Carolina...	5	10	12	13	13	13	9	8	7	8	9	9	10
North Dakota.....	..	..	..	..	..	..	..	..	..	..	1	1	2
Ohio .....	..	..	1	6	14	19	21	21	19	20	21	21	21
Oregon .....	..	..	..	..	..	..	..	1	1	1	1	2	2
Pennsylvania .....	8	13	18	23	26	28	24	25	24	27	28	30	32
Rhode Island .....	1	2	2	2	2	2	2	2	2	2	2	2	2
South Carolina....	5	6	8	9	9	9	7	6	4	5	7	7	7
South Dakota.....	..	..	..	..	..	..	..	..	..	..	2	2	2
Tennessee .....	..	1	3	6	9	13	11	10	8	10	10	10	10
Texas .....	..	..	..	..	..	..	2	2	4	6	11	13	16
Utah .....	..	..	..	..	..	..	..	..	..	..	..	1	1
Vermont .....	..	2	4	6	5	5	4	3	3	3	2	2	2
Virginia .....	10	19	22	23	22	21	15	13	11	9	10	10	10
Washington .....	..	..	..	..	..	..	..	..	..	..	1	2	3
West Virginia.....	..	..	..	..	..	..	..	..	..	3	4	4	5
Wisconsin .....	..	..	..	..	..	..	2	3	6	8	9	10	11
Wyoming .....	..	..	..	..	..	..	..	..	..	..	1	1	1
Total .....	65	106	142	186	213	242	230	237	243	293	332	357	386

\*Included in the 20 members originally assigned to Massachusetts, but credited to Maine after its admission as a State March 15, 1820.

Note.—The following representation included in the table was added after the several census apportionments indicated: First—Tennessee, 1. Second—Ohio, 1. Third—Alabama, 1; Illinois, 1; Indiana, 1; Louisiana, 1; Mississippi, 1. Fifth—Arkansas, 1; Michigan, 1. Sixth—California, 2; Florida, 1; Iowa, 2; Texas, 2; Wisconsin, 2. Seventh—Minnesota, 2; Oregon, 1. Eighth—Nebraska, 1; Nevada, 1. Ninth—Colorado, 1. Tenth—Idaho, 1; Montana, 1; North Dakota, 1; South Dakota, 2; Washington, 1; Wyoming, 1. Eleventh—Utah, 1.

No Democratic Representative can ask a re-election on his record without at the same time endorsing the record of his Republican associates.—New York Tribune.

Can aliens make treaties easier than friends can make laws?  
—A. Lincoln.

# THE UNITED STATES: DATES OF ACTS OF ORGANIZATION OR ADMISSION OF STATES AND TERRITORIES AND AREAS OF THEIR LAND AND WATER SURFACES.

(Admission of States from the Report of the Commissioner of the General Land Office, and areas from the census of 1900.)

State or Territory.	Date of act of organization or admission.	Area		Total.
		Water.	Land.	
		Sq. miles.	Sq. miles.	Acres. Sq. miles.
<b>Original States.</b>				
New Hampshire.....		300	9,005	5,763,200 9,305
Massachusetts.....		275	8,040	5,145,600 8,315
Rhode Island.....		197	1,053	673,920 1,250
Connecticut.....		145	4,845	3,100,800 4,990
New York.....		1,550	47,620	30,476,800 49,170
New Jersey.....		290	7,525	4,816,000 7,815
Pennsylvania.....		230	44,985	28,790,400 45,215
Delaware.....		90	1,960	1,254,400 2,050
Maryland.....		2,350	9,860	6,310,400 12,210
Virginia.....		2,325	40,125	25,680,000 42,450
North Carolina.....		3,670	48,580	31,091,200 52,250
South Carolina.....		400	30,170	19,308,800 30,570
Georgia.....		495	58,980	37,747,200 59,475
<b>States Admitted.</b>				
Kentucky.....	Feb. 4, 1791	400	40,000	25,600,000 40,400
Vermont.....	Feb. 18, 1791	430	9,135	5,846,400 9,565
Tennessee.....	June 1, 1796	300	41,750	26,720,000 42,050
Maine.....	Mar. 3, 1820	3,145	29,895	19,132,800 33,040
Texas.....	Dec. 29, 1845	3,490	262,290	167,865,600 265,780
West Virginia.....	Dec. 31, 1862	135	24,645	15,772,800 24,780
<b>Public Land States Admitted.</b>				
Ohio.....	Apr. 30, 1802	300	40,760	26,086,400 41,060
Louisiana.....	Apr. 8, 1812	3,300	45,420	29,068,800 48,720
Indiana.....	Dec. 11, 1816	440	35,910	22,982,400 36,350
Mississippi.....	Dec. 10, 1817	470	46,340	29,657,600 46,810
Illinois.....	Dec. 3, 1818	650	56,000	35,840,000 56,650
Alabama.....	Dec. 14, 1819	710	51,540	32,985,600 52,250
Missouri.....	Mar. 2, 1821	680	68,735	43,990,400 69,415
Arkansas.....	June 15, 1836	805	53,045	33,948,800 53,850
Michigan.....	Jan. 26, 1837	1,485	57,430	36,755,200 53,915
Florida.....	Mar. 3, 1845	4,440	54,240	34,713,600 58,680
Iowa.....	Mar. 3, 1845	550	55,475	35,504,000 56,025
Wisconsin.....	May 29, 1848	1,590	54,450	34,848,000 56,040
California.....	Sept. 9, 1850	2,188	156,172	99,950,080 158,360
Minnesota.....	May 11, 1858	4,160	79,205	50,691,200 83,365
Oregon.....	Feb. 14, 1859	1,470	94,560	60,518,400 96,030
Kansas.....	Jan. 29, 1861	380	81,700	52,288,000 82,080
Nevada.....	Mar. 21, 1864	960	109,740	70,233,600 110,700
Nebraska.....	Feb. 9, 1867	670	76,840	49,177,600 77,510
Colorado.....	Mar. 3, 1875	280	103,645	66,332,800 103,925
North Dakota.....	Feb. 22, 1889	600	70,195	44,924,800 70,795
South Dakota.....	Feb. 22, 1889	800	76,850	49,184,000 77,650
Montana.....	Feb. 22, 1889	770	145,310	92,998,400 146,080
Washington.....	Feb. 22, 1889	2,300	66,880	42,803,200 69,180
Idaho.....	July 3, 1890	510	84,290	53,945,600 84,800
Wyoming.....	July 10, 1890	315	97,575	62,448,000 97,890
Utah.....	July 16, 1894	2,780	82,190	52,601,600 84,970
<b>Territories.</b>				
New Mexico.....	Sept. 9, 1850	120	122,460	78,374,400 122,580
Arizona.....	Feb. 24, 1863	100	112,920	72,268,800 113,020
Hawaii.....	June 14, 1900	.....	.....	..... 6,449
Alaska.....	July 27, 1868	.....	.....	..... 590,884
Indian Territory; limits defined by Act, May, 1854.....		400	31,000	19,840,000 31,400
Dis. of Columbia	Mar. 3, 1791	10	60	38,400 70
Oklahoma.....	May 2, 1890	200	38,830	24,851,200 39,030
<b>Total.....</b>		<b>55,370</b>	<b>2,970,230</b>	<b>1,900,947,200 3,622,933</b>

## MONEY IN CIRCULATION INCREASED.

On July 1, 1897, the per capita circulation was only \$22.87. The average has been increased speedily under Republican management, and on July 1, 1906, stood at \$32.42 per capita—the high-water mark in our history—and an increase of \$1.62 per capita in the last two years. The total increase in circulation for two years was slightly above \$233,000,000.

During the same two years national bank circulation increased over \$111,000,000.

## PRESIDENTS, PARTIES AND TARIFFS.

Table Showing Presidents, Political Complexion of Congresses and Tariffs Since Birth of the Republican Party.

Year	President.	Senate.	Congress.	House of Representatives.	Tariff.
1853	Pierce.	Democratic.	33d.	Democratic.	Act of 1846.
1854					
1855		Democratic.	34th.	Anti-Nebraska.	
1856					
1857	Buchanan.	Democratic.	35th.	Democratic.	March 3, 1857, Act of 1857.
1858					
1859		Democratic.	36th.	Republican. *	
1860					
1861	Lincoln.	Republican.	37th.	Republican.	March 2 and Aug. 5, 1861.
1862					
1863		Republican.	38th.	Republican.	
1864					
1865	Lincoln. Johnson.	Republican.	39th.	Republican.	Morrill
1866					
1867		Republican.	40th.	Republican.	
1868					
1869	Grant.	Republican.	41st.	Republican.	Tariff
1870					
1871		Republican.	42d.	Republican.	
1872					
1873	Grant.	Republican.	43d.	Republican.	and
1874					
1875		Republican.	44th.	Democratic.	
1876					
1877	Hayes.	Republican.	45th.	Democratic.	Supplementary.
1878					
1879		Democratic.	46th.	Democratic.	
1880					
1881	Garfield.	Republican.	47th.	Republican.	Laws.
1882	Arthur.	Republican.	48th.	Democratic.	
1883					
1884					
1885	Cleveland.	Republican.	49th.	Democratic.	October 6, 1890, McKinley Tariff.
1886					
1887		Republican.	50th.	Democratic.	
1888					
1889	Harrison.	Republican.	51st.	Republican.	August 28, 1894, Wilson-Gorman Tariff.
1890					
1891		Republican.	52d.	Democratic.	
1892					
1893	Cleveland.	Democratic.	53d.	Democratic.	July 24, 1897,
1894					
1895		No party majority.	54th.	Republican.	
1896					
1897	McKinley.	Republican.	55th.	Republican.	Dingley
1898					
1899		Republican.	56th.	Republican.	
1900					
1901	McKinley. Roosevelt.	Republican.	57th.	Republican.	Tariff.
1902					
1903		Republican.	58th.	Republican.	
1904					
1905	Roosevelt.	Republican.	59th.	Republican.	
1906					

\* No party majority, but a Republican was elected Speaker.

## POPULAR VOTE IN PRESIDENTIAL ELECTIONS.

Year.	Republican.	Democratic.	Other.
1856.....	1,341,264	1,838,169	874,538
1860.....	1,866,352	2,220,920	589,581
1864.....	2,216,067	1,808,725	.....
1868.....	3,015,071	2,709,615	.....
1872.....	3,597,070	29,408	2,839,687
1876.....	4,033,950	4,284,885	93,898
1880.....	4,449,053	4,442,035	318,318
1884.....	4,848,334	4,911,017	285,634
1888.....	5,440,216	5,538,233	402,411
1892.....	5,176,108	5,556,918	1,326,325
1896.....	7,104,779	6,502,925	315,298
1900.....	7,207,923	6,358,133	393,597
1904.....	7,623,486	5,077,971	809,251



# REPUBLICAN STATES IN PRESIDENTIAL ELECTIONS.

[illegible]

# PROGRESS OF THE UNITED STATES IN ITS AREA, POPULATION, AND MATERIAL INDUSTRIES.

Items.	1860.	1900.	1905.
Area, sq. miles.....	3,025,600	3,025,600	3,025,600
Population.....	31,443,321	76,303,387	*84,545,000
Population, sq. mile.....	10.39	25.22	*27.94
Wealth.....	\$16,159,616,000	**\$94,300,000,000	*\$120,000,000,000
Wealth per capita.....	513.93	1,235.86	*1,420.00
Debt, less cash in Treas....	59,964,402	1,107,711,258	*964,435,687
Debt per capita.....	1.91	14.52	*11.41
Interest-bearing debt.....	61,640,838	1,023,478,860	*895,159,140
Annual interest charge....	3,443,687	33,545,130	*23,248,064
Interest per capita.....	.11	.44	.27
Gold coined.....	23,473,654	99,272,943	49,638,441
Silver coined.....	2,259,390	36,345,321	6,332,181
Gold in circulation.....	†228,304,775	610,806,472	*673,327,609
Silver in circulation.....		142,050,334	*188,474,995
Gold certs. in circulation....		200,733,019	485,210,749
Silver certs. in circulation..		408,465,574	454,864,708
U. S. notes outstanding....		313,971,545	332,420,697
Nat. bk. notes outstanding..		300,115,112	480,028,849
Circulation of money.....	435,407,252	2,055,150,998	*2,744,483,830
Per capita.....	13.85	26.94	*32.42
National banks.....		3,732	5,668
Capital.....		621,536,461	791,567,231
Total Bank Clearings.....		84,582,450,081	140,501,841,957
Deposits in nat. banks.....		2,458,092,758	*4,055,873,637
Savings banks.....	149,277,504	2,389,719,954	3,093,077,357
No. of depositors, sav. bks.	693,870	6,107,083	7,696,229
Farms and farm property..	\$7,980,493,060	\$20,514,001,838	\$26,645,001,838
Farm products, value.....	**1,200,000,000	3,764,177,706	6,415,000,000
Value of manufactures.....	1,885,861,676	13,039,279,566	*17,000,000,000
Receipts—Net ordinary.....	56,054,600	567,240,852	*594,914,715
Customs.....	53,187,512	233,164,871	*300,657,413
Internal revenue.....		295,327,927	*249,063,868
Expenditures—Net ordinary.	60,056,755	447,553,458	*544,417,239
War.....	16,472,203	134,774,768	*93,659,462
Navy.....	11,514,650	55,953,078	*110,956,167
Pensions.....	1,100,802	140,877,316	*141,034,081
Int. on public debt.....	3,144,121	40,160,333	*24,310,526
Imports of merchandise....	353,616,119	849,941,184	*1,226,615,379
Per capita.....	11.25	10.88	*14.51
Exports of merchandise....	333,576,057	1,394,483,082	*1,743,763,612
Per capita.....	10.61	17.96	*20.32
Domestic exports—Iron, steel, and manufactures of.....	5,870,114	121,913,548	134,728,363
Agricultural products....	256,560,972	835,858,123	820,863,405
Manufactures.....	40,345,892	433,851,756	543,607,975
Farm animals—Value.....	1,089,329,915	2,228,123,134	3,675,389,442
No. of cattle.....	25,616,019	43,902,414	61,241,907
No. of horses.....	6,249,174	13,537,524	17,057,702
No. of sheep.....	22,471,275	41,883,065	45,170,823
No. of mules.....	1,151,148	2,086,027	2,888,710
No. of swine.....	33,512,867	37,079,356	47,320,511
Production of gold.....	\$46,000,000	\$79,171,000	\$86,337,700
Silver.....	150,000	74,533,495	76,203,100
Coal, tons†.....	8,513,123	240,789,309	\$314,562,881
Petroleum, gallons.....	21,000,000	2,661,233,568	\$4,916,663,682
Pig-iron, tons.....	821,223	13,789,242	22,992,380
Steel, tons.....		10,188,329	20,000,000
Copper, tons.....	7,200	270,588	\$362,740
Wool, lbs.....	60,264,913	288,636,621	295,488,433
Wheat, bushels.....	173,104,924	522,229,505	692,979,489
Corn, bushels.....	838,792,740	2,105,102,516	2,707,993,540
Cotton, bales.....	4,861,292	9,436,416	13,565,885
Cotton taken by mills, bales	979,000	3,644,000	4,562,000
Domestic cotton exptd, lbs.	1,767,686,338	3,100,583,188	4,304,848,903
Railways operated, miles....	30,626	194,262	\$212,349
No. of passengers carried.....		584,695,935	\$719,654,951
Freight carried 1 mile, tons		141,162,109,413	\$173,613,762,130
Rates, ton per mile, cts.....		.75	\$.79
No. of passenger cars.....		26,786	\$31,034
No. of freight cars.....		1,358,467	\$1,728,903
American vessels: Built, tons.....	214,797	393,790	330,316
Trading domestic, etc., tons.....	2,546,237	826,694	5,502,030
Trading foreign, tons.....	2,807,631	4,338,145	954,513
On Great Lakes, tons.....	467,774	1,565,587	2,062,147
Vessels passing through Sault Ste. Marie Canal, tons.....	403,657	22,315,834	36,617,699
No. of commercial failures.	3,676	10,774	11,520
Amount of liabilities.....	\$79,807,000	\$138,495,673	\$102,676,172
Receipts, P. O. Dept.....	8,518,067	102,354,579	152,826,585
No. of newspapers, etc.....	4,051	20,806	23,146
No. of patents issued.....	4,778	26,499	30,399
No. of immigrants arrived..	150,237	448,572	1,026,499

\*1906. \*\*Estimated.

†Total specie in circulation. Gold and silver not separately stated prior to 1876.

‡Pennsylvania anthracite shipments, 1860; entire coal product since.

## REPUBLICAN PLATFORM.

Adopted by National Convention at Chicago, June 22, 1904.

Fifty years ago the Republican party came into existence dedicated among other purposes to the great task of arresting the extension of human slavery. In 1860 it elected its first President. During 24 of the 44 years which have elapsed since the election of Lincoln the Republican Party has held complete control of the government. For 18 more of the 44 years it has held partial control through the possession of one or two branches of the government, while the Democratic Party during the same period has had complete control for only two years. This long tenure of power by the Republican Party is not due to chance. It is a demonstration that the Republican Party has commanded the confidence of the American people for nearly two generations to a degree never equaled in our history, and has displayed a high capacity for rule and government which has been made even more conspicuous by the incapacity and infirmity of purpose shown by its opponents.

### Conditions in 1897.

The Republican Party entered upon its present period of complete supremacy in 1897. We have every right to congratulate ourselves upon the work since then accomplished for it has added luster even to the traditions of the party which carried the Government through the storms of civil war.

We then found the country after four years of Democratic rule in evil plight, oppressed with misfortune and doubtful of the future. Public credit had been lowered, the revenues were declining, the debt was growing, the Administration's attitude toward Spain was feeble and mortifying, the standard of values was threatened and uncertain, labor was unemployed, business was sunk in the depression which had succeeded the panic of 1893, hope was faint and confidence gone.

We met these unhappy conditions vigorously, effectively, and at once.

### The Tariff Law.

We replaced a Democratic tariff law based on free trade principles and garnished with sectional protection by a consistent protective tariff, and industry, freed from oppression and stimulated by the encouragement of wise laws, has expanded to a degree never before known, has conquered new markets, and has created a volume of exports which has surpassed imagination. Under the Dingley tariff, labor has been fully employed, wages have risen, and all industries have revived and prospered.

We firmly established the gold standard which was then menaced with destruction. Confidence returned to business, and with confidence an unexampled prosperity.

### Revenues.

For deficient revenues, supplemented by improvident issues of bonds, we gave the country an income which produced a large surplus and which enabled us only four years after the Spanish War had closed to remove over \$100,000,000 of annual war taxes, reduce the public debt, and lower the interest charges of the Government.

### The Public Credit Restored.

The public credit, which had been so lowered that in time of peace a Democratic Administration made large loans at extravagant rates of interest in order to pay current expenditures, rose under Republican Administration to its highest point and enabled us to borrow at 2 per cent. even in time of war.

### Cuba.

We refused to palter longer with the miseries of Cuba. We fought a quick and victorious war with Spain. We set Cuba free,



governed the island for three years, and then gave it to the Cuban people with order restored, with ample revenues, with education and public health established, free from debt, and connected with the United States by wise provisions for our mutual interests.

### Porto Rico.

We have organized the government of Porto Rico, and its people now enjoy peace, freedom, order, and prosperity.

### The Philippines.

In the Philippines we have suppressed insurrection, established order, and given to life and property a security never known there before. We have organized civil government, made it effective and strong in administration, and have conferred upon the people of those islands the largest civil liberty they have ever enjoyed.

By our possession of the Philippines we were enabled to take prompt and effective action in the relief of the legations at Peking and a decisive part in preventing the partition and preserving the integrity of China.

### The Isthmian Canal.

The possession of a route for an isthmian canal, so long the dream of American statesmanship, is now an accomplished fact. The great work of connecting the Pacific and Atlantic by a canal is at last begun, and it is due to the Republican Party.

### The Arid Lands.

We have passed the laws which will bring the arid lands of the United States within the area of cultivation.

### The Army and Navy.

We have reorganized the army and put it in the highest state of efficiency.

We have passed laws for the improvement and support of the militia.

We have pushed forward the building of the navy, the defense and protection of our honor and our interests.

Our administration of the great departments of the government has been honest and efficient, and wherever wrongdoing has been discovered the Republican Administration has not hesitated to probe the evil and bring offenders to justice without regard to party or political ties.

### The Great Corporations.

Laws enacted by the Republican Party which the Democratic Party failed to enforce and which were intended for the protection of the public against the unjust discrimination or the illegal encroachment of vast aggregations of capital, have been fearlessly enforced by a Republican President and new laws insuring reasonable publicity as to the operations of great corporations, and providing additional remedies for the prevention of discrimination in freight rates, have been passed by a Republican Congress.

In this record of achievement during the past eight years may be read the pledges which the Republican Party has fulfilled. We promise to continue these policies, and we declare our constant adherence to the following principles:

### Protection to American Industries.

Protection which guards and develops our industries, is a cardinal policy of the Republican Party. The measure of protection should always at least equal the difference in the cost of pro-

duction at home and abroad. We insist upon the maintenance of the principle of protection, and, therefore, rates of duty should be readjusted only when conditions have so changed that the public interest demands their alteration, but this work cannot safely be committed to any other hands than those of the Republican Party. To intrust it to the Democratic Party is to invite disaster. Whether, as in 1892, the Democratic Party declares the protective tariff unconstitutional, or whether it demands tariff reform or tariff revision, its real object is always the destruction of the protective system. However specious the name the purpose is ever the same. A Democratic tariff has always been followed by business adversity; a Republican tariff by business prosperity. To a Republican Congress and a Republican President this great question can be safely intrusted. When the only free-trade country among the great nations agitates a return to protection the chief protective country should not falter in maintaining it.

### **Foreign Markets Extended.**

We have extended widely our foreign markets, and we believe in the adoption of all practicable methods for their further extension, including commercial reciprocity wherever reciprocal arrangements can be effected consistent with the principles of protection and without injury to American agriculture, American labor, or any American industry.

### **The Gold Standard.**

We believe it to be the duty of the Republican Party to uphold the gold standard and the integrity and value of our national currency. The maintenance of the gold standard, established by the Republican Party, cannot safely be committed to the Democratic Party, which resisted its adoption and has never given any proof since that time of belief in it or fidelity to it.

### **American Shipping.**

While every other industry has prospered under the fostering aid of Republican legislation, American shipping engaged in foreign trade in competition with the low cost of construction, low wages, and heavy subsidies of foreign governments, has not for many years received from the Government of the United States adequate encouragement of any kind. We therefore favor legislation which will encourage and build up the American merchant marine, and we cordially approve the legislation of the last Congress which created the Merchant Marine Commission to investigate and report upon this subject.

A navy powerful enough to defend the United States against any attack, to uphold the Monroe doctrine, and watch over our commerce, is essential for the safety and the welfare of the American people. To maintain such a navy is the fixed policy of the Republican Party.

### **Chinese Labor.**

We cordially approve the attitude of President Roosevelt and Congress in regard to the exclusion of Chinese labor, and promise a continuance of the Republican policy in that direction.

### **Civil Service.**

The Civil Service law was placed on the statute books by the Republican Party, which has always sustained it, and we renew our former declarations that it shall be thoroughly and honestly enforced.

### **The Soldiers and Sailors.**

We are always mindful of the country's debt to the soldiers and sailors of the United States, and we believe in making ample provision for them and in the liberal administration of the pension laws.

### Arbitration.

We favor the peaceful settlement of international differences by arbitration.

### Protection of Citizens Abroad.

We commend the vigorous effort made by the Administration to protect American citizens in foreign lands, and pledge ourselves to insist upon the just and equal protection of all our citizens abroad. It is the unquestioned duty of the Government to procure for all our citizens, without distinction, the rights of travel and sojourn in friendly countries, and we declare ourselves in favor of all proper efforts tending to that end.

### The Orient.

Our great interests and our growing commerce in the Orient render the condition of China of high importance to the United States. We cordially commend the policy pursued in that direction by the administrations of President McKinley and President Roosevelt.

### The Elective Franchise.

We favor such Congressional action as shall determine whether by special discriminations the elective franchise in any State has been unconstitutionally limited, and, if such is the case, we demand that representation in Congress and in the electoral colleges shall be proportionally reduced as directed by the Constitution of the United States.

### Combinations of Capital and of Labor.

Combinations of capital and of labor are the results of the economic movement of the age, but neither must be permitted to infringe upon the rights and interests of the people. Such combinations, when lawfully formed for lawful purposes, are alike entitled to the protection of the laws, but both are subject to the laws and neither can be permitted to break them.

### Our Lamented President.

The great statesman and patriotic American, William McKinley, who was re-elected by the Republican Party to the Presidency four years ago, was assassinated just at the threshold of his second term. The entire nation mourned his untimely death and did that justice to his great qualities of mind and character which history will confirm and repeat.

### President Roosevelt.

The American people were fortunate in his successor, to whom they turned with a trust and confidence which have been fully justified. President Roosevelt brought to the great responsibilities thus sadly forced upon him a clear head, a brave heart, an earnest patriotism, and high ideals of public duty and public service. True to the principles of the Republican Party and to the policies which that party had declared, he has also shown himself ready for every emergency and has met new and vital questions with ability and with success.

The confidence of the people in his justice, inspired by his public career, enabled him to render personally an inestimable service to the country by bringing about a settlement of the coal strike, which threatened such disastrous results at the opening of winter in 1902.

Our foreign policy under his administration has not only been able, vigorous, and dignified, but in the highest degree successful.

The complicated questions which arose in Venezuela were settled in such a way by President Roosevelt that the Monroe doctrine was signally vindicated and the cause of peace and arbitration greatly advanced.



His prompt and vigorous action in Panama, which we commend in the highest terms, not only secured to us the canal route, but avoided foreign complications which might have been of a very serious character.

He has continued the policy of President McKinley in the Orient, and our position in China, signalized by our recent commercial treaty with that empire, has never been so high.

He secured the tribunal by which the vexed and perilous question of the Alaskan boundary was finally settled.

Whenever crimes against humanity have been perpetrated which have shocked our people, his protest has been made, and our good offices have been tendered, but always with due regard to international obligations.

Under his guidance we find ourselves at peace with all the world, and never were we more respected or our wishes more regarded by foreign nations.

Pre-eminently successful in regard to our foreign relations, he has been equally fortunate in dealing with domestic questions. The country has known that the public credit and the national currency were absolutely safe in the hands of his administration. In the enforcement of the laws he has shown not only courage, but the wisdom which understands that to permit laws to be violated or disregarded opens the door to anarchy, while the just enforcement of the law is the soundest conservatism. He has held firmly to the fundamental American doctrine that all men must obey the law; that there must be no distinction between rich and poor, between strong and weak, but that justice and equal protection under the law must be secured to every citizen without regard to race, creed or condition.

His administration has been thoughtful, vigorous and honorable, high-minded and patriotic. We commend it without reservation to the considerate judgment of the American people.

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## STATEHOOD.

In his last annual message to Congress the President said:

"I recommend that Indian Territory and Oklahoma be admitted as one State and that New Mexico and Arizona be admitted as one State. There is no obligation upon us to treat territorial subdivisions, which are matters of convenience only, as binding us on the question of admission to Statehood. Nothing has taken up more time in the Congress during the past few years than the question as to the Statehood to be granted to the four Territories above mentioned, and after careful consideration of all that has been developed in the discussions of the question I recommend that they be immediately admitted as two States. There is no justification for further delay; and the advisability of making the four Territories into two States has been clearly established."

Legislation of the first session of the Fifty-ninth Congress provided for the admission of Oklahoma and Indian Territory as one State to be called Oklahoma, and the option offered to Arizona and New Mexico. In connection with the latter the following abstract from a letter written by President Roosevelt to Dr. Mark A. Rodgers, Secretary of the Arizona Statehood Association, will be found interesting:

THE WHITE HOUSE.

Washington, June 27, 1906.

Dr. Mark A. Rodgers, Secretary Arizona Statehood Association, Tucson, Arizona:

Dear Sir:—It is \* \* \* my earnest hope that the people of the Territory of Arizona in their wisdom will decide to enter the Union as part of the great State of Arizona. No man can foretell what will happen in future; but it is my belief that if the people of Arizona let this chance go by they will have to wait very many years before the chance again offers itself, and even then it will very probably be only upon the present terms—that is, upon the condition of being joined with New Mexico. If the people of Arizona come in now they will achieve what every self-respecting

American ought to wish to achieve; that is, the right of self-government. If they refuse what is proffered them—and what in my opinion is proffered upon the only proper and permissible terms—they condemn themselves to an indefinite continuance of a condition of tutelage.

I have a peculiar affection for the people of the four Territories which, under the Act of Congress I have just signed, now have the opportunity to enter as two States into our Federal Union. These Territories are filled with men and women of the stamp for which I grew to feel so hearty a regard and respect during the years that I myself lived and worked on the great plains and in the Rocky Mountains. It was from these four Territories that I raised the regiment with which I took part in the Cuban campaign. Assuredly I would under no circumstances advise the people of these Territories to do anything that I considered to be against either their moral or their material well-being. I feel that for them now to refuse to come into the Union as States would be at the best mere folly. Very wisely, the people of Oklahoma and Indian Territory, and I believe the people of New Mexico also, have abandoned an attitude which forbade their thus assuming the great privileges and responsibilities of full American citizenship. I cannot too heartily express my hope that the people of Arizona, exercising their sober second thought, will come to look at the matter in the same light.

Sincerely yours,

THEODORE ROOSEVELT.

The area in square miles of the two Territories is:

New Mexico .....	122,580
Arizona .....	113,020
Total .....	235,600

The acreage is:

New Mexico .....	78,451,200
Arizona .....	72,332,000
Total .....	151,783,200

On condition of accepting joint Statehood, \$5,000,000 in money and 20,000,000 acres will be granted by the Federal Government to the new State for school funds, penal and other purposes.

## THE SOUTH'S AMAZING PROGRESS.

What Protection has done and is doing for the South can be seen from the following table from an article written by Richard H. Edmonds, editor of the Manufacturers' Record, for February issue of the American Monthly Review of Reviews, and reprinted by permission:

### Facts in Figures About the South.

	1880.	1890.	1905.
Capital invested in cotton mills.....	\$21,000,000	\$60,000,000	\$225,000,000
Number of spindles in cotton mills....	667,000	1,712,000	9,205,000
Cotton bales used.....	225,000	546,000	2,163,000
Value of cotton crop.....	\$313,696,000	\$390,000,000	\$680,000,000
Pig-iron made, tons.....	397,000	2,600,000	3,100,000
Coal mined, tons.....	6,000,000	21,200,000	70,000,000
Lumber products, value.....	\$29,000,000	\$90,700,000	\$250,000,000
Capital invested in manufacturing....	\$257,000,000	\$659,000,000	\$1,500,000,000
Value of manufactured products.....	\$457,000,000	\$917,589,000	\$1,750,000,000
Value of exports.....	\$261,000,000	\$306,000,000	\$555,480,000
Railroad mileage.....	20,600	42,900	60,000
Farm products, value.....	\$660,000,000	\$773,000,000	\$1,750,000,000
Property, assessed.....	\$3,051,175,000	\$4,510,925,000	\$6,500,000,000
Capital invested in cotton-oil mills....	\$3,800,000	\$12,800,000	\$54,600,000
Number of cotton-oil mills.....	45	119	780
Phosphate mined, tons.....	211,377	510,499	1,874,428
Coke production, tons.....	397,776	2,535,470	6,244,185
Petroleum, barrels.....	179,000	498,632	42,495,802

In a few cases in the table above figures for 1904 are given in the 1905 column, the exact figures for the latter year not being available at the time this is written.

## OUR COLORED CITIZENS.

No more striking contrast as to the attitude of the two great parties touching their adherence to the principle that "all men are created equal" can be made than that afforded by the course of events North and South during the past quarter of a century. In the North, where Republicanism is strongest, colored citizens, although a minority of the population, are given participation in the control of municipalities, counties, and states, and are frequently elected to public office in these respective units of our governmental system; in the South, the stronghold of Democracy, the colored citizen is being systematically disfranchised and barred from effective participation in the conduct of public affairs, and each year witnesses a narrowing of his political and civil rights. The mere mention of the facts well known to every observer of the times will suffice to indicate the relative attitude of the two great political parties toward the colored citizen. The Republican Party believes in the political equality of all men without reference to race or nationality, and this belief it has supported by the most costly and sanguinary war in our national history. The Democratic Party believes in restricting the privilege of citizenship to a particular class, and has written her opinions into the statutes, constitutions, and practices of nearly every Southern State where that party is dominant. The Republican Party believes in the doctrine so tersely expressed by President Roosevelt—"All men up rather than some men down"—and it has always encouraged the colored citizen in his efforts and ambition to rise higher in the scale of civilization. The Democratic Party would deny to the negro the incentive to high aspirations, and boasts through its representatives of its purpose to exclude colored men from any voice in the control of local affairs. Senator Gorman, high in the Democratic counsels of his party, clearly stated the manifest intention of the Democracy to decitizenize, as far as possible, the colored voters of the country, and in a recent speech declared: "The South has passed through scenes of turbulence and disorder and rape and riot. By amendments to State constitutions and by legislation the whites (of the South) have secured control, for the time being, of their own local governments, and the colored race is no longer a political factor in any State south of the Potomac." Here is a frank admission that Democracy no longer respects the time-honored maxim that "governments derive their just powers from the consent of the governed," and that only a portion of the citizenry are, in the opinion of its leaders, entitled to a voice in public affairs.

The Republican Party encourages the highest character in the negro; the Democratic Party seeks to degrade it. No Republican Legislature has ever enacted laws inimical to the progress, happiness, and comfort of any class of citizens; numerous Democratic Legislatures, on the other hand, have enacted laws which make it impossible for a colored person of refinement to travel in decency or comfort from one part of a State to another. No Republican Governor would dare veto a measure for the education of any class of citizens in the rudiments of knowledge. Yet that is just what has recently been done by the chief executive of Mississippi. The Republican Party is on record as being in favor of the most liberal policies with respect to negro education, believing that no other position is consistent with the preservation of popular institutions.

The present liberal policy of the Republican Party is in keeping with the broad statesmanship which has characterized it from the beginning. Prior to the accession of the Republican Party to power a race of 4,000,000 souls had suffered the wrongs and cruelties of human slavery, with no redress either in the courts, in Congress, or at the bar of public opinion. In all the years from 1619, when the first cargo of slaves was landed at Jamestown, Va., to 1856, when the Republican Party had its birth, both organic and statutory law formed an impassable bar to negro hopes and ambitions. But with the birth of that party a marked change occurred. It is unnecessary to recount the causes which led up to the War of the Rebellion. Suffice it to say, as a result of that war, under the leadership of a Republican President,



supported by a Republican Congress, 4,000,000 negroes were emancipated from slavery, invested with citizenship, and made an integral part of this great Republic, to share in its glories and opportunities, bound only by the limitations of individual capacity and work. Unwilling, however, to rest the insecurity of the negro's rights upon mere legislative enactment, the Republican Party, through the co-operation of Republican States, gave to negro citizenship the supreme sanction of Constitutional guaranty. It was only then that the Declaration of Independence, not so ostentatiously quoted by the Democracy as the embodiment of their party principles, but which for nearly 100 years had been ignored and repudiated by their party practices, first became the true expression of our national policy.

Following this change in the political status of the colored population came a period of preparation for citizenship. Thousands of Northern men and women, schooled under the tutelage of Republican environment in the works of philanthropy and justice, dedicated their money, their time, and even their lives to the education and elevation of those emancipated millions. Hence the colored school and the colored church under the guidance of white philanthropists sprang into existence, only to be followed by similar institutions organized and controlled by colored citizens. But this haven of intelligence could never have been imparted to the black masses of the South but for the opportunities first opened as a direct result of Republican principles and policies.

The outbreak of hostilities between the United States and Spain afforded another opportunity for the Republican Party to demonstrate its loyalty to the broad principles set forth in the Declaration of Independence and given legal sanction by the XIVth and XVth Amendments to the Constitution. In that war over 15,000 black soldiers were called into service, among them nearly 300 colored officers, a fact without precedent in all of national history. Their service was characterized by gallantry and bravery which aroused the admiration of the world, the valor of the black troops at San Juan Hill contributing largely to the victory achieved on that occasion. As a mark of recognition of the heroic service rendered by black soldiers, President McKinley, in 1899, issued an order for the organization of two infantry regiments of colored men. Despite the protests of the Democrats this was done and the regiments have been designated respectively the Forty-eighth and Forty-ninth Volunteer Infantry, with headquarters at Fort Thomas, Ky., and Jefferson Barracks, Mo.

Thus the war with Spain, in addition to its primary object, served a two-fold purpose. It emphasized the policy of the Republican Party in honoring the colored citizen both in war and peace; and the black soldier in that war, by patriotism and valor, proved to the world that citizenship had not been unworthily bestowed.

In face of the foregoing facts, the colored voter and other doubtful of the wisdom of continuing the control of the present Administration may well be asked whether or not the rights of the American negro at home and the destinies of the inhabitants of those islands now belonging to the United States are not safe with the Republican Party, which by tradition and legislation has identified itself with the cause of human freedom and universal opportunity, than with the Democracy. Upon the record of its treatment of American citizens of whatever race, color, or nationality, the Republican Party rests its claim upon the confidence of the country as to its intentions in the islands recently added to the domain of the United States. Neither the speciousness of Democratic platform deliverances, the eloquence of Democratic oratory, nor the idle generosity of Democratic promises can obscure the Democracy's unenviable record upon every question that pertains to human rights. "Charity begins at home," and until that party accords justice to all the inhabitants of the State under its control it cannot claim the suffrages of the colored people of this country who seek amelioration of their civil and political status nor of that greater body of American citizens whose only interest in the issue of the present struggle is the

honor and stability of our own nation, and the welfare and advancement of those peoples who have recently become the wards of the American nation.

The following table, compiled from official data, shows the number of colored employees in the service of the Government, exclusive of the United States Capitol and the judiciary:

### Colored Officers, Clerks, and Other Employees in the Service of the United States Government, 1904.

	No.	Salaries.
Diplomatic and consular service.....	13	\$32,000
Departmental service:		
State .....	10	7,600
Treasury .....	596	391,834
War .....	122	94,910
Navy .....	42	29,736
Post-Office .....	103	66,840
Interior .....	219	167,260
Justice .....	17	13,520
Agriculture .....	100	53,272
Commerce and labor.....	125	78,856
Government Printing Office.....	320	210,874
Interstate Commerce Commission.....	4	2,280
District government, Washington, D. C.....	1,891	847,055
Recorder of deeds.....	22	14,050
Service at large:		
Customs and internal revenue.....	258	205,047
Post office at large.....	750	611,140
Land office, New Orleans.....	3	7,800
Miscellaneous .....	5	2,400
Army officers.....	10	17,260
<b>Total .....</b>	<b>4,610</b>	<b>\$2,853,734</b>
Recapitulation by localities:		
At foreign stations .....	13	\$32,000
At Washington, D. C.....	3,663	2,056,727
At New York, N. Y.....	188	153,982
At New Orleans, La.....	18	96,740
At Atlanta, Ga. ....	94	65,780
At Savannah, Ga.....	42	32,766
At Augusta, Ga.....	12	8,120
At Baltimore, Md.....	40	31,444
At Richmond, Va.....	50	37,820
At miscellaneous points.....	390	321,095
Army officers.....	10	
<b>Total .....</b>	<b>4,610</b>	<b>\$2,853,734</b>

The fact that nearly 5,000 colored citizens are in the public service and receiving salaries aggregating about three million dollars furnishes further evidence of the broad and liberal policy of the Republican Party, while the further fact that the colored employees are proverbially faithful, courteous, and efficient is ample justification of the attitude of the party toward the freedmen of the nation.

## REPUBLICAN AND DEMOCRATIC BONDS.

### Panama Bond Issue.

The recent issue of bonds in aid of the construction of the Panama Canal draws 2 per cent. interest and sold at a premium of practically 4 per cent. The actual average price realized was 104.03. These bonds were sold under sealed bids. The bids aggregated \$446,371,000—nearly fifteen times the amount to be sold. In 1895, during Mr. Cleveland's administration, \$62,315,400 Government bonds bearing 4 per cent. interest were sold at private sale at a premium of only 4.495. Assuming these bonds to run their entire term, they will net the purchaser 3.75 per cent. on his investment. The recent sale will net the purchaser only 1.56 per cent. on his investment if the bonds are redeemed in ten years, and only 1.82 per cent. if the bonds run until maturity. This gives a fair illustration of the relative skill, care and foresight of Republican and Democratic administrations in managing the financial affairs of the Government.

## PUBLIC LANDS.

### President Roosevelt's Public Land Policy.

President Roosevelt, more than any of his predecessors, has manifested an active interest and exercised a potent influence in endeavoring to establish and put into execution a wise public land policy, modified to meet existing conditions.

Much of the unparalleled development of the material resources of the United States in the past has been due to its liberal public land laws, chief among which is the homestead law, which was signed by President Lincoln in 1862. Under its beneficent provisions millions of settlers have established homes upon the public domain, and as a result the great West is to-day teeming with the industry of a thrifty people of good citizenship and many new stars have been added to the flag. But what was once a vast public domain—then thought to be almost inexhaustible—embracing an area of over eighteen hundred million acres, through the operation of the homestead and other land laws, enacted to meet conditions prevailing at a time when cultivable lands as well as timbered and grazing areas were abundant, was materially decreased until the remaining public domain, exclusive of Alaska, now embraces less than five hundred million acres, a comparatively small portion of which is susceptible of cultivation without irrigation.

New conditions thus arose: the extravagant denuding of the timbered areas, the rapidly diminishing extent of the remaining public lands available for settlement, together with the increased demand for cultivable lands, accentuated by increased population, satisfactory industrial conditions, and revival of business in the last few years, rendered necessary and of the utmost importance, new legislation affecting the public lands, in order that the remaining forests and necessary timber supply might be duly protected, the necessary sources of water supply needed for the reclamation of the arid regions properly conserved, and the remaining public land available for settlement saved for disposal to the bona fide home-builder, under such circumstances and conditions as would enable the same to be reclaimed and thereby rendered capable of its largest beneficial use. In recognition of this, the Congress passed the act of March 3, 1891, authorizing the creation of forest reserves, under which there have since been created fifty-six reserves, aggregating over 63,000,000 acres of land. The establishment of necessary forest reserves having become a well-fixed part of our national policy, the aid of the Government in reclaiming the arid lands of the West and rendering the same available for settlement and cultivation was essential, as a necessary complement to this policy.

### Irrigation.

Although there had been more or less discussion for years as to the necessity for national aid in irrigation, nothing effective was accomplished until Theodore Roosevelt became President. He was quick to recognize not only the necessity, but also the national importance of such policy, together with the benefits to accrue to the people therefrom.

President Roosevelt, in his first message to Congress, took a strong advanced position in favor of great storage works to save the flood waters and to equalize the flow of streams, maintaining that this work should be carried on by the National Government and not by private efforts. He declared that it was as right for the National Government to make the streams and rivers of the arid region useful by engineering works for water storage as to make useful the rivers and harbors of the humid region by engineering works of another kind. He took the position that the Government should construct and maintain these reservoirs as it does other public works, and that the lands reclaimed by aid of irrigation should be reserved by the Government for actual settlers. The cost of construction should, so far as possible, be repaid by the land reclaimed. He declared that the reclamation and settlement of the arid lands will enrich every portion of our



country, as the settlement of the Ohio and Mississippi valleys brought prosperity to the Atlantic States.

### National Reclamation Law.

Congress enacted the national reclamation law June 17, 1902, and it is considered the most beneficent public land law passed since the enactment of the homestead law. The passage of this law was due largely to the previous recommendation of the President after he had lent the weight of his influence to the perfecting of its provisions in the interest of the actual settler and to the exclusion of the speculator.

Realizing that the passage of the reclamation act emphasized the importance of saving the public lands for the home-builder, the President devoted particular attention thereto in his second message, declaring that "so far as they are available for agriculture, and to whatever extent they may be reclaimed under the national irrigation law, the remaining public lands should be held rigidly for the home-builder, the settler who lives on his land, and for no one else."

The President in this message also directed attention as to the best manner of using public lands in the West which are suitable chiefly, or only, for grazing, and he commended this matter to the earnest consideration of Congress, recommending, if the latter experienced any difficulty in dealing with the subject from lack of knowledge, that provision be made for a commission of experts specially to investigate and report upon the same. Subsequently, a commission was appointed by the President, which has already submitted a partial report, making sundry recommendations for the modification of existing land laws in the interest of actual settlers. This report the President submitted to the favorable consideration of Congress.

Under the provisions of the reclamation act over \$20,000,000 have already been covered into the Treasury of the United States to the credit of the reclamation fund, derived from the sales of public lands and fees and commissions in the several States and Territories affected by that act, and more than 33,000,000 acres of public land have been withdrawn for reclamation purposes with a view to determining the feasibility of contemplated projects. Sixty-seven projects in fourteen different States and Territories have been under consideration and examination, and the work of actual construction has been commenced on eight of these.

President Roosevelt, by reason of his intimate association with Western people, his actual experience in that section of the country, and accurate knowledge of the prevailing conditions in the public land States, is exceptionally well qualified to properly judge of the requisite needs of that part of the country and has exercised a forceful influence toward the perfecting of a wise, discriminating, up-to-date public land policy, and when so perfected will see to it that the same is carefully and properly administered. Such a policy, perhaps, more than any other single consideration, is essential to the prosperity of the West and the happiness of its people, will add to the material wealth and development of the whole country, and should commend itself to every thoughtful citizen.

### Irrigation for Arid and Semi-Arid Lands.

Irrigation for the arid and semi-arid lands of the United States has never had a firmer and more vigorous supporter in public life than President Roosevelt. During the decade before he became President the subject of national irrigation had been under discussion and there was growing throughout the country a sentiment in favor of national action of some character upon this subject. There was, however, wide diversity of opinion as to the method to be employed, and this very condition of diverse opinions reduced the probability of national action. When Mr. Roosevelt became President, however, knowing conditions in the great West as he did, and knowing the benefits which would accrue to it from systematic work in behalf of irrigation, he consulted with the men who had been working for national irrigation, discussed conditions with them and told them of his belief in action by the National Government and his intention to make irrigation one of

the topics of his first message to Congress. No President of the United States had ever before mentioned irrigation in a message.

The direct result of his action was the passage of the reclamation act.

The reclamation act sets aside the proceeds of the disposal of public lands in thirteen Western States and three Territories for national irrigation. The fund thus created is placed at the disposal of the Secretary of the Interior for surveys, examination, and construction of works. It is not a donation, but the money must ultimately be returned to the Treasury by the persons benefited, to be used over again in the construction of other works.

### General Irrigation Statistics.

The following table, prepared by the Census Office, gives, by regions, the number of farms on which irrigation was reported, the number of acres irrigated, the construction cost of the irrigation systems, the average construction cost per irrigated acre, and the number of miles of main canals and ditches for continental United States in 1902:

*Table I.—General irrigation statistics of the United States, 1902.*

Regions.	Number of farms irrigated.	Number of acres irrigated.	—Cost of construction—		Length of ditches main in miles.
			Total.	Per acre irrigated.	
The United States....	134,036	9,487,077	\$93,320,452	\$9.84	59,243
Arid States and Territories .....	122,156	8,471,641	77,430,212	9.14	54,243
Semi-arid States and Territories .....	7,021	403,449	5,105,390	12.65	3,472
Rice States.....	4,179	606,199	10,195,992	16.82	1,528
Humid States.....	680	5,788	588,858	101.74	.....

The number of irrigated farms increased from 110,556 in 1890 to 154,036 in 1902, or 21.2 per cent. The irrigated area increased during the same period from 7,782,188 acres to 9,487,077 acres, or 21.9 per cent. For the three years this is an average annual increase in number of irrigated acres of 568,296 acres.

In 1902 the total construction cost of the necessary head gates, dams, main canals, and ditches, wells, reservoirs, and pumping plants was \$93,320,452, an increase since 1899 of \$21,797,672, or 30.5 per cent. This is equivalent to an annual expenditure of more than seven and a quarter millions of dollars for the construction, extension, and improvement of irrigation systems. The average first cost of water for irrigation throughout the United States increased from \$9.19 per irrigated acre in 1899 to \$9.84 in 1902. This naturally follows because in many of the States practically all of the easily available water supply was appropriated long ago, and methods required for its further development must be increasingly expensive. In 1902, the aggregate mileage of main canals and ditches would encircle the earth more than twice, the combined length being 59,243 miles.

### The Arid Region.

*Table II.—General irrigation statistics of the arid States and Territories, 1902.*

States and Territories.	Number of farms irrigated.	Number of acres irrigated.	—Cost of construction—		Length of ditches main in miles.
			Total.	Per acre irrigated.	
Arizona .....	3,867	247,250	\$4,688,298	\$18.96	1,783
California .....	30,404	1,708,720	23,772,157	13.91	7,010
Colorado .....	19,806	1,754,761	14,769,561	8.42	10,209
Idaho .....	10,077	715,595	6,190,071	8.67	5,640
Montana .....	9,496	1,140,694	5,576,975	4.89	8,765
Nevada .....	2,260	570,001	1,706,212	2.99	3,054
New Mexico.....	9,285	254,945	4,301,915	16.37	2,846
Oregon .....	5,133	439,981	2,089,609	4.75	3,653
Utah .....	21,684	713,621	7,303,607	10.23	3,891
Washington .....	4,585	154,962	2,330,758	15.04	1,095
Wyoming .....	5,559	773,111	4,701,049	6.08	6,297
Total .....	122,156	8,471,641	\$77,430,212	\$9.14	54,245

While conditions in 1902 were somewhat below the average in many portions of the arid regions, in each of the nine States and

two Territories comprising it, irrigation made considerable progress during the three years ending with 1902. In that year the irrigated area of the entire region aggregated 8,471,641 acres, an increase since 1899 of 1,208,368, or 16.6 per cent. In number of farms the increase is even greater, being from 102,819 farms in 1899 to 122,156 in 1902, or 18.8 per cent. The total construction cost of the irrigation systems was \$77,430,212 as compared with \$64,289,601 in 1899, an increase of \$13,140,611, or 20.4 per cent. The average first cost of water per acre was \$9.14 and the combined length of main canals and ditches, 54,243 miles.

Of these States and Territories, California ranks first in number of irrigated farms, Utah second, and Colorado third. In total irrigated area Colorado stands first, California second, and Montana third.

### Semi-Arid Region.

Table III.—General irrigation statistics of the semi-arid States and Territories, 1902.

States and Territories.	Number of farms irrigated.	Number of acres irrigated.	Cost of construction		Length of ditches main in miles.
			Total.	Per acre irrigated.	
Kansas .....	1,115	28,922	\$599,098	\$20.71	366
Nebraska .....	2,952	245,910	2,463,748	10.02	1,861
North Dakota.....	102	10,384	45,087	4.34	66
Oklahoma .....	134	3,328	36,770	11.05	89
South Dakota.....	696	53,137	381,569	7.18	426
*Texas .....	2,022	61,768	1,579,118	25.57	664
Total .....	7,021	403,449	\$5,105,390	\$12.65	3,472

\*Exclusive of rice irrigation.

Portions of Kansas, Nebraska, North and South Dakota, Oklahoma, and Texas extend into the semi-arid region which lies eastward from the base of the Rocky Mountains. In 1902, the area to which water was artificially applied was 403,449 acres, representing 7,021 farms. There were 2,946 irrigation systems in operation, the construction cost of which was \$5,105,390, an average first cost of water of \$12.65 per irrigated acre. The increase since 1899 in the number of irrigated farms is 43.4 per cent.; in irrigated area, 52.6 per cent., and in total construction cost, 76.5 per cent.

Of these six political divisions Nebraska, with 2,952 farms having an irrigated area of 245,910 acres and systems representing a construction outlay of \$2,463,748, stands first, while Texas, with rice farms excluded, stands second, having 2,022 farms with an irrigated area of 61,768 acres and systems costing \$1,579,118.

### WATCHES IN BRITAIN.

#### Decline in English Production—Increased Imports.

Consul-General Wynne sends a cutting from the London Daily Telegraph concerning the decline in the manufacture of watches in Great Britain. The article, in part, is as follows:

Among English industries which have suffered severely from foreign competition that of watchmaking occupies a prominent place. The cheap trade, of which Clerkenwell used to be the flourishing headquarters, has practically gone. It has been captured outright by the enterprising foreigner, and though Clerkenwell road and its purlieus are still the great market center for everything connected with clocks and watches, scarcely a single watch factory survives there. We give some remarkable figures bearing on the influx of foreign watches:

#### Official Returns Showing the Number of Watches Made at Home and Abroad in the Last Four Decades.

Year.	Continental.	American.	English.
1862.....	2,500,000	50,000	164,000
1872.....	3,000,000	400,000	145,000
1882.....	3,500,000	1,250,000	227,000
1892.....	4,500,000	2,250,000	204,000
1902.....	6,000,000	2,750,000	226,000



### THE UNITED STATES NAVY.

Since 1904 the Navy Department has gone on with the work of creating an effective naval force for the United States, under a policy which has been maintained by Republican administrations, affording to the extensive coast line of the country an adequate protection from and guarantee against foreign aggression. Only if the coast line of the Empire of Great Britain is considered, can the United States be said to be second among the nations of the world in point of vulnerable area subject to attack by sea. Accepting the result of the world's experience that effective coast defense of any country begins on the coast defense of an enemy, the Republican Party, through its majority in Congress, has made provision for addition to the naval fleet of the United States, and Republican administration have developed and organized naval construction, so that in the past two years 10 new ships of over 125,000 tons' displacement have been added to the Navy of the United States. Seven more vessels of nearly 95,000 tons' displacement are, at this writing, within a few weeks of going into commission. Effective fleets are being organized from the new material thus added to the Navy, and a high state of excellence has been attained in marksmanship and in the general training of the officers and men who man the ships. At the same time, work is being carried on as fast as is practicable and economical in providing repair and building facilities at the different navy yards of the country which had been, under other policies, allowed to fall into disuse. The fruition of a consistent plan of providing an adequate naval defense of the country by the Republican Party is now apparent. Instead of incoherent and scattered fragments of a naval force, the United States will be, by the close of the current year, in possession of a coherent and well organized naval force adequate for the duties of the moment, and which will be added to by a safe and conservative building program until the Navy of the United States is consonant with the needs and with the dignity of the country. During the past two years the foreign policy of the United States has been effectively sustained by the resources of the Navy placed at the disposition of the Executive and of the State Department acting under his orders, so that there has never been, at any point at which action on the part of the United States seemed wise, a lack of effective force to give weight and standing to any representations the administration felt called upon to make. During the war between Japan and Russia, the dispositions of the Navy in the Far East were largely affected and the difficult international situations that were developed when Russian ships sought the shelter of ports on the Pacific Coast and the Philippines were adequately handled. The growing importance of the West Indian waters in the affairs of the United States has been recognized by the additional attention paid by the Navy to the policing of these waters and the development of points of defense. The assurance is given by the disposition of the Navy of permanent peace and freedom from foreign aggression in these waters. During the two years the work of the Navy in improving the science of navigation and in assisting in removing dangers to navigation, such as derelicts and other obstacles, has been of material benefit.

Active recruiting has been carried on through the United States and a policy of manning the Navy with citizens of the United States has been strictly adhered to. The enlisted men of the United States Navy come from all parts of the country, including all the States of the Great West, and the naval defenders of the country are not only almost wholly American citizens, but all but a very small percentage are of American birth and representative of the bright, energetic and capable young manhood of the country. The Navy, in the quality of the ships that have been built and in the character of the men who have been recruited and trained to man these ships, is in every way deserving of the renewed confidence and awakened interest of the people of the United States, and it is not too much to say that the results which have been brought about have been almost wholly due to the persistent policy which has marked the course of the Republican Party toward the naval defenses of the country.

## CHAMPAGNE INDUSTRY.

### Extent and Method of Manufacture—Miles of Cases and Millions of Bottles—A Strong Reserve.

The following extract from the report of Consul Miller, of Rheims, on the manufacture of champagne in France, will be read with interest. The quantity made annually, details of manufacture, methods of preparation for market, countries to which shipped, and their relative consumption of the sparkling beverage are clearly described by Consul Miller. The extract follows:

During the past five years the consumption of champagne wine in the United States has increased over 35 per cent., or an average of about 7 per cent. a year. The United States imported 1,235,880 bottles (quarts) more from the champagne district in 1905 than in 1900. Nothing but the best quality of champagne is exported to the United States, the high tariff operating to keep out the low grades. The United States is now consuming about 4,500,000 quart bottles per annum, and the amount in customs duties paid into the United States Treasury on account of this champagne, all of which is produced in what may be called the legal champagne district adjacent to Rheims, approximates \$3,000,000 a year.

## AUTOMOBILES.

### Increased Exports Last Year.

The American Exporter calls attention to the increased exportation of automobiles as a promising indication of a growing foreign trade in that line.

The exports of American automobiles during the year 1905 were the greatest in the history of this industry, the grand total being \$2,695,655, as compared with \$1,897,510 in 1904, and \$1,643,029 in 1903. During the year our best customer was in the United Kingdom, to which we exported \$707,045<sup>7</sup> worth of automobiles. Canada bought automobiles to the value of \$537,588; France, \$269,703; Italy, \$163,978; Germany, \$105,457, and the rest of Europe, \$239,379. To Mexico our automobile shipments represented a value of \$192,452; the West Indies, \$151,859. Considerable quantities were also shipped to British India, Australasia, South Africa, South America, and Oceania. That the present year will be a record-breaker in the matter of automobile exports is indicated by the figures shown in the statistical returns for the first two months of 1906 during which the shipments abroad amounted in value to \$630,407, as compared with \$456,281 during the first two months of 1905. In the line of American motorboats the exports are also steadily and extensively increasing.

In 1900 there were 109 concerns in the United States manufacturing automobiles, with an investment of \$5,000,000. In 1905 about \$40,000,000 was the investment in plants.

## INDUSTRIAL JAPAN.

The following comparative figures of the production of eight of the principal industries in Japan during the years 1891 and 1905, respectively, show to what extent they have developed during that interval:

Articles.	1891. Yen.	1905. Yen.
Cotton yarns.....	7,872	33,246,462
Habutaye .....	1,445,639	28,057,980
Cotton tissues.....	375,407	13,100,171
Matches .....	1,843,636	10,360,752
Porcelain and pottery.....	1,577,190	5,324,344
Figured matting.....	656,122	5,086,987
Silk handkerchiefs.....	2,811,820	4,893,611
Straw plaits.....	378,349	3,827,108
Total .....	9,096,035	103,897,415

## POSTAL SERVICE AND RURAL FREE DELIVERY.

The progress made in our postal service, the immense advantage given to our commercial interests, and the convenience and accommodations extended to individuals have kept pace fully with the rapid expansion of all public utilities, and the Republican Party has, from time to time, as conditions warranted it, not only extended the benefits of the service itself, but has reduced rates of postage as rapidly as could be done consistent with the revenue derived from the operation of the system. While it has been the aim of the Department and of Congress to have the revenues of this service approximate the expenditures, yet this has not been absolutely insisted upon, and not since 1865 have the revenues equaled the expenditures. From the first Act of February 20, 1792, when the rates of postage on domestic letters ranged from 6 cents to 25 cents, according to the distance carried, the rates were successively reduced from time to time until 1863, when a uniform rate of 3 cents per letter was established not exceeding half an ounce in weight and without regard to distance. The free-delivery system was authorized by the Act of 1863, as also was the system of collecting mail-matter from the street-boxes. The money-order system was first established in 1864. On October 1, 1883, the general rate for letters was reduced to 2 cents, the only reduction since being a rate of 2 cents per ounce for first-class matter, instead of 2 cents per half ounce. The special-delivery system was authorized by Act of Congress March 3, 1885.

The development of the postal service, as regards both transportation and delivery, increased so amazingly as to warrant the establishing of a rural free-delivery system. The attempt was first made during the administration of President Cleveland. Postmaster-General Bissell, in his report for 1893, concurred in the opinion of the First Assistant Postmaster-General, Frank H. Jones, that "the Department would not be warranted in burdening the people with such a great expense." In his report of 1894 Postmaster-General Bissell declined to expend the small appropriation of \$10,000 to test the feasibility of the scheme. In 1895 Congress increased the appropriation to \$20,000, but Postmaster-General William L. Wilson declared that the plan of establishing rural free delivery was wholly impracticable. In 1896 Congress made \$40,000 available for the purpose, and Postmaster-General Wilson, as the Postoffice Department reported it, "with many expressed misgivings," put the service to the test, saying that he had taken care "to choose territory widely divergent in physical features, and in the occupation and density of its population." Under the administration of President McKinley and his most efficient Postmaster-General, Charles Emory Smith, the system was rapidly developed and has continued increasing under the administration of President Roosevelt and Postmaster-General Cortelyou.

As has been mentioned, the appropriation made in 1897 was \$40,000, and during that year forty-four routes were put into operation. The appropriation for 1906 was \$25,828,000, and the routes in operation number fully 35,000.

Nothing so well illustrates, perhaps, the character of the two predominant parties in the United States as does the development of this rural free-delivery system. Year after year it was "turned down" by a Democratic administration as being impracticable, and yet, under the operation of Republican administrations, it has developed in every way successfully and most advantageously to the agriculturists of the country. Where, only a few years ago, most of our farmers were able to get their mail but once or twice a week, it is now daily brought to their very doors, giving them the advantage of the daily paper and of market and weather reports, enhancing not only labor, but the pleasure of living.

The system itself needs no defence; the result of its workings is its own vindication, and the farmers of the country are indebted wholly to the Republican Party, which had the courage, as well as the sense, to put the system into practical operation and constant development.



Although the credit for the development of the system must be given to the Republican administrations of McKinley and Roosevelt, yet it is only fair to go back to the administration of Harrison, whose Postmaster-General, John Wanamaker, recommended to Congress that an appropriation be made for experimental village free-delivery service. The plan worked well, and Postmaster-General Wanamaker was able to report to Congress, after a trial of two years, that the increased cost of the service was met nearly, if not quite, by the increased postal receipts, and that the slight additional expenditure was more than justified by the benefits conferred upon the people. It was Mr. Wanamaker who first recommended the idea, and put it, to a limited extent, into successful operation. During the administration of Cleveland its development was thwarted in every way possible, to be taken up again by President McKinley and his Postmaster-General, and made eminently successful by the present Republican administration.

**Statement Showing, by Years, the Number of Rural Free-Delivery Routes in Operation and the Total Amounts Appropriated and Expended Therefor.**

Year.	Total amount appropriated.	Total amount expended.	Number of routes in operation
1898.....	\$50,250.35	\$50,241.06	148
1899.....	150,032.79	150,012.48	391
1900.....	450,000.00	420,433.17	1,276
1901.....	1,750,796.29	1,750,321.35	4,301
1902.....	4,089,075.20	4,089,041.71	8,466
1903.....	8,580,364.31	8,051,599.79	15,119
1904.....	12,926,905.44	12,645,275.79	24,566
1905.....	21,116,600.00	*20,874,618.75	32,055
1906.....	25,828,300.00	.....	.....

\*Some small addition may be made to this total by reason of suspended items.

### CANADIAN TRADE.

The larger increase of importations into Canada from the United States than from Great Britain, although the latter has a preferential tariff of 33 1-3 per cent., continues to arouse much discussion. The quick delivery that is obtained from the United States, as compared with England, makes it very difficult, even with a great preference in the rates, for Great Britain to compete satisfactorily in the trade with Canada.

A Canadian buyer, in talking on the subject recently, as published in the London Times, said that he could telegraph an order to New York at a small expense and have the goods in his warehouse in three days, but he always had to allow about five weeks to get goods from Birmingham, England.

### GERMAN "DUMPING."

Mr. J. Stephen Jeans, for nearly thirty years secretary of the British Iron Trade Association, has recently issued a volume on the iron trade of Great Britain. The question of "dumping" is discussed, and the author affirms that the agitation which has been carried on in Great Britain for some time against it has been partly founded on a more or less imperfect ascertainment of essential facts. An illustration of the conditions under which dumping is carried on is afforded by the experience of the German Wire Rod Syndicate, which comprises 82 works. In a recent six months they supplied 22,307 tons to home consumers, and on that made a profit of \$293,280, while on the 19,524 tons exported there was a loss of \$214,860. The German consumers were charged \$62.40 per ton, whereas only \$35 per ton was obtained for the quantity exported. In Germany there are at least 46 different syndicates in the coal and iron trades alone.

## TEN YEARS AGO TO-DAY.

From Boston Transcript, August 8, 1906.

It was just ten years ago to-day—August 8, 1896—that the panic reached its climax so far as stock market discounting of years of election results were concerned. That was the day that the candidate of the silver cause started from Omaha to “invade the enemy’s country,” and sent a chill down the Wall Street spine, Wall Street in this panic representing general business apprehension pretty thoroughly. It was the turning point in the scare; after that the canvass turned more and more toward Republican victory, though upbuilding of industry did not fairly get under way for some time later. The country is doing more than 200 per cent. more business now, as represented by bank clearings, and its railroad and industrial corporations are paying more than 300 per cent. more in dividends. Verily, a great contrast between Mr. Bryan’s coming out of the East ten years after his imitation of young Lochinvar! The country found the error in his sovereign panacea for monetary ills; “gold” went into the law of the land and the metal has been pouring in on this favored land ever since. Now come new duties with new occasions; the leader of Democracy arrives at New York from the Orient instead of the Occident; he finds wonderful changes accrued in those ten years. New sources of unrest have arisen, new burdens have accompanied prosperity, new problems to solve, and Mr. Bryan has the solution ready for prescription.

The old source of complaint—low commodity prices—is gone; prices are high enough now to suit the ordinary wage-earner, and incidentally wages are higher and pretty much everything else, even the commercial value of silver and the business prosperity of silver-mining States. Nevada, for instance, is turning out more gold than the mind easily can grasp; so is Colorado, and Kansas is troubled only with paucity of enough labor to get in its crops. Quite a contrast between 1906 and 1896, the dates of two “invasions of the enemy’s country”—one from the East and one from the West. Yet Mr. Bryan’s heart still beats true to his first and argentiferous love, and we stand on the border of another outbreak of half-informed oratory on economics, another period of agitation, based on undeniable flaws and faults in our currency and economics, but surely deserving better than quack nostrums in the treatment. In all America’s crises, “God give us men!”

### Bryan More Radical Than in 1896, He Says.

The following is from an interview with William J. Bryan, in London, July 12, 1906:

“I notice that I am now described by some as conservative, and in order that there may be no misunderstanding on that subject permit me to say that in one sense I always have been a conservative. The Democratic policies are conservative in that they embody old principles applied to new conditions. There was nothing new in principle in either of the platforms on which I stood.

“If, however, by the word conservative they mean that I have changed my position on any public question or moderated my opposition to corporate aggrandizement, they have a surprise waiting for them. I am more radical than I was in 1896, and have nothing to withdraw on economic questions which have been under discussion. The only question we discussed in 1896 upon which there has been any apparent change is the silver question, and that has not been a change in the advocates of bimetallism, but in conditions.

“We contended for more money and urged the free coinage of silver as the only means then in sight of securing it. The increased production of gold has brought in part the benefit we expected to secure from the restoration of silver. The per capita volume of money in the United States is almost 50 per cent. greater now than it was in 1896, and the benefits brought by this increase have not only vindicated the quantitative theory of money, but have proved the benefits of the larger amount of money. No advocate of the gold standard can claim the triumph of his logic.

"I believe in bimetallism, and I believe that the restoration of silver would bring still further prosperity, besides restoring par in exchange between gold and silver-using countries; but I recognize, as do all other bimetallists whom I have met abroad, that the unexpected and unprecedented increase in gold production has for the present removed the silver question as an issue."

From the New York World (Democratic).

"I am more radical than I was in 1896," Bryan declares, "and have nothing to withdraw on economic questions which have been under discussion." He still believes in "bimetallism," and as in 1896 he proclaimed himself a bimetallist rather than a silver monometallist, it is inferred that he still believes in the heaven-born ratio and free coinage of silver at 16 to 1. He is confident that "the restoration of silver would bring still further prosperity," but admits that the increased production of gold "has for the present removed the silver question as an issue."

The dismay produced in Democratic circles by Mr. Bryan's statement is hardly less noticeable than the delight manifested among Republicans.

Nobody demanded that Mr. Bryan apologize for his former attitude on the money question or publicly recant or beat his breast and cry "Mea culpa!" All that anybody asked of him was a moderate recognition of the principle, much as he himself once laid down, that "changing conditions make new issues."

Instead Mr. Bryan has seen fit to drag the corpse of free silver out of its grave and assure the country that it is not dead but sleeping.

When he declares that he is in fact more radical than he was in 1896 it is to be presumed that he has changed in no way for the better and has learned nothing. It is perhaps unfair, but nevertheless possible, to assume that he will stand by all his issues of ten years ago, including the threat to "reorganize" the Supreme Court of the United States and the attack upon "government by injunction."

It is needless to say that Mr. Bryan in mistaking stubbornness for consistency is practically turning the Presidency over to the Republican party again, giving it a walk-over in 1908, as it had in 1896, 1900 and 1904.

His statement has already distinctly clouded Democratic prospects in the Congressional campaign next fall.

## WATCHMAKING.

### Why the United States Leads Great Britain.

The fact that the United States has forged ahead of Great Britain in the manufacture of watches is made the subject of an article in The Magazine of Commerce by T. P. Hewitt, the managing director of the Lancashire Watch Company in England. Mr. Hewitt asserts that the watch trade of Great Britain is being gradually transferred to the United States.

Forty years ago, he says, the best-known devices in the modern watch were invented by English makers, and at that time only 50,000 watches were made in the United States and 164,000 in Great Britain. But in the course of these forty years the whole situation has been reversed, and while in Great Britain only 226,000 watches were made in the year 1902, in the United States the enormous number of 2,750,000 were turned out. Against the very nearly three millions of watches made in this country, somewhere about six millions are made on the continent of Europe, but these do not seem to compete with the American watch. The American watch is rapidly superseding the Swiss and English watch.

Mr. Hewitt attributes the decay of the watchmaking industry to what he calls the "obsolescent assay laws" of Great Britain and the strict enforcement of them, and also to what he calls the "fetich of free trade," which has hindered Parliament in its legislation. Birmingham is the great center of the watch industry in England, and that is referred to in connection with the re-election of Mr. Chamberlain on a Protection platform.



## A FOREIGN VIEW.

From the Mosely Industrial Commission Report.—By A. Mosely, Head of the English Commission Which Visited the United States in 1902.

The United States is advancing by leaps and bounds. She is beginning to feel the beneficial effects of the education of her masses, and an enormous territory teeming with natural resources as yet but meagrely developed. In the latter respect she has been more than blessed, and her natural advantages are bound to make her not only the leading manufacturing country in the world (a position she may already be said to have attained), but must place her in the same position relatively that England herself occupied some fifty years ago. It is more than necessary that both capital and labor should bear this point well in mind. At the present time the home market of the United States is so fully occupied with its own developments that the export trade has as yet been comparatively little thought of; but as time goes on and the numerous factories that are being erected all over the country come into full bearing, America is bound to become the keenest of competitors in the markets of the world. That already she has her eye on the export trade is plain to every one except the wilfully blind; but at present she is only getting ready. The acquisition of so large a proportion of the Atlantic carrying trade is in itself an object lesson. When America wishes to export goods she intends to dictate freights, which she could not do if she had no mercantile marine of her own. The profits of the shipping business are to her quite a secondary consideration at present, compared with the ability to rule freights when it suits her to do so. It must be remembered that the American manufacturer and financier looks well ahead, and is prepared to make large present sacrifices for the sake of future gain.

A cutting from an American paper has been sent to me, in regard to the system of payment of workmen by results. I give it for what it is worth, and do not vouch for its accuracy; but it is a powerful illustration of the difference a little extra production will make both the profit of the manufacturer and the wages of the men. It is from an article in a recent number of the *Contemporary*, by Major C. C. Townsend. At a certain great steel works not far from New York, he says, the men are paid by results, and if these results are above the normal, the pay rises abnormally. "The usual number of pourings obtainable from a furnace in each run is eleven, but by the closest attention to every detail, by incessant and scientific stoking and work of every kind, it is occasionally possible to obtain twelve pourings. The wages earned by the men at the furnace when eleven pourings are obtained are \$40, but if twelve pourings are obtained they are \$80." Such a system is the keynote of American success. I am not sure how far my delegates have realized that it is the extra speed at which machinery is run, the high specialization of work whereby each man becomes an expert in his particular branch, which in itself means efficiency and an increased output, the economy of hands in attending machines, and the excellent organization of the factories whereby the smallest item of time and labor are saved, that make all the difference between large profits and none, and a high rate of wages for the men as against the comparatively low standard known in this country.

How it is that the American manufacturer can afford to pay wages 50 per cent. 100 per cent. and even more in some instances, above ours, and yet be able to compete successfully in the markets of the world? The answer is to be found in small economies, which escape the ordinary eye. The instance given, of normal wages being doubled for one extra pouring in a certain steel works beyond the usual eleven, is an illustration. The men earned twice the amount, and the manufacturer also makes a profit. In reality, the twelfth pouring costs him nothing except the bare price of the raw materials; and the same is true in all industries and under all conditions.

That the American workman earns higher wages is beyond

question. As a consequence, the average married man owns the house he lives in, which not only gives him a stake in the country, but saves payment of rent, enabling him either to increase his savings or to purchase further comforts.

Food is as cheap (if not cheaper) in the United States as in England, whilst general necessities may, I think, be put on the same level. Rent, clothes made to order, and a variety of things, including all luxuries, are considerably dearer. Luxuries, however, do not enter very much into the every day consumption of the average working man in this country, and if in the United States he can get them at all (even though he have to pay a high price for them) that is surely an advantage by comparison.

The American workman drinks but little, and his house is usually well furnished and fitted with luxuries in the way of bathrooms, laundries, hot water and heating systems, and other items mostly unknown to the British workman.

One of the points the delegates were invited to investigate was whether or not the workman in the United States "wears out" faster than the Englishman. Personally, I think not. It is generally admitted that the American workman, in consequence of labor-saving machines and the excellence of the factory organization, does not need to put forth any greater effort in his work than is the case here, if as much. He is infinitely better paid, therefore better housed, fed, clothed, and moreover, is much more sober. Under such conditions he must naturally be more healthy, a proposition that I think can not be denied. It follows, therefore, that if his working life is shorter, other causes must be sought, outside the factory, to account for it. I give this as a broad hypothesis, and did space allow, I could go more closely into the reasons pro and con; but one reason in particular appears to me to be that the American workman is able to leave his factory at an earlier age, because by his temperate habits and the high rates of wages he receives whilst there, he is not under the same necessity of working up to the very end of his life, as is the case in England. In American factories, speaking generally, great attention is paid to the necessities and comfort of the workers. Separate lockers (of which the workman has the key) are provided for working clothing; consequently the man can arrive at and leave work well clad, changing at the factory. The shops are usually very well ventilated, although it is customary to keep them at a temperature many degrees above the average in this country; but this is liked or would not be done, and is in fact a national characteristic; and there is after all a good deal to be said in favor of being able to walk into a factory which is well warmed, and where the tools do not freeze the hands as soon as touched. Excellent lavatories with shower baths, etc., and many other comforts for the employees, are the rule rather than the exception in the large factories; and in fact the American manufacturer has realized that if he wishes the best results from the hands he employs, he must provide for their comfort and cleanliness. It is not a question of philanthropy, but of practical business.

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### BRITISH COMMERCE.

The United Kingdom is a free-trading country, the only imports on which customs duties are levied being chicory, cocoa, coffee, dried fruits, spirits, tea, sugar, tobacco and wine—spirits, tobacco, tea and wine yielding the bulk of the entire levies. In 1904 the imports free of duty (exclusive of bullion and specie and diamonds) amounted to £500,993,130, and those subject to duty to £50,045,498, duty-free articles forming nearly 91 per cent. and articles subject to duty over 9 per cent. of the total imports. The only export duty is that on coal, imposed April 19, 1901.—*Statesman's Year Book*, 1906.

We have prospered marvelously at home. As a nation we stand in the very forefront in the giant international competition of the day. We cannot afford, by any freak or folly, to forfeit the position to which we have thus triumphantly attained.—President Roosevelt at Minneapolis, April 4, 1903.

## PROSPERITY POSTSCRIPT.

## Treasury Statement.

Washington, July 31, 1906.—The cash statement of the United States Treasury for July 31 shows:

Reserve fund—	
Gold coin and bullion.....	\$150,000,000
Trust fund—	
To redeem outstanding certificates.....	1,048,853,869
General fund—	
Gold coin and bullion.....	105,566,503
Gold certificates .....	34,732,040
Silver dollars .....	6,268,503
Silver certificates .....	6,844,846
Silver bullion .....	1,509,942
United States notes .....	10,499,677
National bank notes .....	12,635,601
Subsidiary silver and minor coin.....	7,059,273
Total .....	\$185,116,385
In national banks .....	89,503,855
Awaiting reimbursement .....	18,053
Total .....	\$274,638,293
Liabilities .....	105,261,758
Cash balance .....	\$169,276,535

## NEW YORK SAVINGS BANKS.

Deposits Show Gain of \$31,142,640 Over Those of 1905.

Albany, July 30.—Supt. F. D. Kilburn of the State Banking Department to-day issued a statement showing the condition of the savings banks of the State for the year ended June 30, including the expenses for six months.

The report shows that the total resources July 1, 1906, were \$1,444,444,492.30; total resources July 1, 1905, \$1,367,692,595.41; gain for year 1906, \$76,751,806.89; gain for year 1905, \$92,503,427.44. The amount due depositors July 1, 1906, was \$1,335,093,053.62, a gain over the previous year of \$82,164,753.80.

The amount deposited during the year ended June 30, 1906, was \$394,356,106.60, against \$363,213,466.34 the previous year the gain being \$31,142,640.26.

## Railroad's Banner Year.

The fiscal year just closed has proved a banner year for American railroads. While it will be many months before the official figures for all the railroads in the United States are available, the increases that have been shown month after month by the railroads making monthly returns indicate a very large increase in both gross and net earnings over the figures for 1905. While it would be hazardous to estimate closely the actual increase for all the roads in the country, it seems probable from the figures already available that the gross earnings of the railroads of the United States, covering approximately 219,000 miles of road, will show for the fiscal year ended June 30 an increase of 10 per cent. over the \$2,073,000,000 earned in 1905, according to the preliminary report of the Inter-State Commerce Commission.

The showing in net earnings will also be very favorable. It is to be noted, however, that the majority of railroads, profiting by the exceptional prosperity of the past year, following as it did several previous years of prosperity, added heavily to their charges for improvements and betterments. Expense accounts were heavily charged with items representing permanent improvements.

No section of the country has failed to profit by the favorable conditions which existed this past year. Every group of roads shows its quota added to the increase in earnings, as might indeed be expected from the fact that practically every industry has had its fair share of prosperity.



## LOW RECORDS OF FAILURES.

### Favorable Statistical Showing for Six Months of 1906.

The figures on commercial insolvencies in the United States in the first half of 1906 are on the whole favorable, according to the returns compiled by Bradstreet's, though the increased volume of business has its effect in the total number of failures and the amounts involved. Therefore, the totals for the first half of 1906, while better than in the last three years, are not as favorable on their face as in the years of corresponding prosperity in 1902-3.

The figures for the six months just closed are 4,852 failures of individuals, firms, or corporations. This is a decrease of 7.4 per cent. from the corresponding period last year and an increase of only 1.3 per cent. from the low total of the first six months in 1903. Liabilities were \$59,035,116, a decrease of 5.7 per cent. from 1905, and a gain of only 3.7 per cent. on the very favorable year 1902.

The failure returns for June amply confirm the reports of excellent trade, active industry and general large volume of profitable business doing in this period in a total of suspensions and of liabilities the smallest reported for several years past. It is, in fact, necessary to go back to 1902 to find a monthly total of liabilities or of failures as small as that reported for June.

Following are the statistics of business failures in the United States in the first half of each calendar year from 1896 to 1906, inclusive:

	No. of failures.	Estimated assets.	Total liabilities.	Per cent. of assets to liabilities.
1906.....	4,852	\$29,369,777	\$59,035,116	49.7
1905.....	5,241	33,224,858	62,686,427	53.0
1904.....	5,338	45,878,407	83,235,171	55.1
1903.....	4,790	29,629,703	60,251,563	49.0
1902.....	5,262	27,018,862	56,927,688	47.4
1901.....	5,465	32,435,338	66,138,262	49.0
1900.....	4,880	27,475,514	60,064,208	45.7
1899.....	5,049	22,890,645	50,304,253	45.5
1898.....	6,429	36,606,918	72,120,341	50.0
1897.....	7,024	53,611,782	93,656,495	57.0
1896.....	7,602	60,495,568	105,535,936	57.0

### Good Times Even in Midsummer.

From Washington Post, August 7, 1906.

Business activity throughout the United States is unprecedented. Instead of midsummer dullness, there is a constant increase of energy. The gross earnings of the railroads were 14.27 per cent. greater for the first six months of 1906 than during the same period last year. Bank clearings for the seven months were 12 per cent. greater than last year. Bank deposits are larger than ever, in spite of the fact that enormous withdrawals have been made by people building their own homes. Building operations over the country are larger than ever before, and in some places are hampered by lack of structural steel and other material, as well as by scarcity of labor.

The iron and steel industry is more prosperous than ever. The United States Steel Corporation has resumed the payment of dividends upon its common stock, as a result of enormous business. The net profits for the June quarter were \$10,000,000 more than the June quarter last year. The company has orders on its books for 7,000,000 tons of steel. The steel mills are making greater demands for pig iron than the furnaces can meet. There is an actual scarcity of various kinds of pig iron and crude steel, while the coke famine promises to become serious in curtailing steel production. Orders are pouring in for all kinds of bridge, structural, and railroad steel, and the pipe mills are receiving heavy orders.

The assurance of immense crops of cotton, wheat, and corn has stimulated business and building. Merchants throughout the South and West are putting in heavy orders, now that they are sure of the prosperity of the farmers. The market for cotton goods in China is beginning to mend, in addition to which the domestic conditions have made a strong cotton market. Prices have been steady, the decreased supply and increasing foreign

demand having offset reports of big crops. Wheat prices have tended downward as the certainty of a big crop has become manifest. Immense exports of wheat and lower home prices of flour are expected. As the corn prospect improved, prices went downward. It is now thought the corn crop will measure up with some of the largest yields in history. The American farmer will also profit by the diminished size of crops in foreign countries. For the first five weeks of the fiscal year the exports of breadstuffs, including flour, were 9,900,000 bushels, as against 5,500,000 bushels in 1905.

The demand for labor is one of the best proofs of good times. The scarcity is greatest in the coke regions and in the West, where harvesting is hindered by lack of help. The building trades are actively employed at big wages, and railroads in various parts of the country are seeking laborers.

### **The Midsummer, 1906, Business Outlook.**

Dun's Weekly Review of Trade of July 28, 1906, said:

Comparisons of the volume of current business with results at the corresponding date in previous years are so uniformly favorable that the outlook can only be regarded with confidence. Semi-annual statements are now sufficiently complete to make it certain that the first half of 1906 was the most prosperous six months period in the nation's history, and unless heavy cancellations occur in the last half of the year will establish a still higher record. Contracts come forward freely in the iron and steel industry, the only idleness being due to repairs necessitated by the vigor with which production has been pushed, and footwear factories are receiving orders for delivery next February, while even the textile mills report that purchasers have ceased efforts to secure more attractive terms.

Complaints of inadequate labor supply are universal. Building operations are extensive and would be much greater if the cost of labor and materials had not caused the abandonment of many plans. The week's crop news is encouraging and grain will soon be out of danger. Buyers are arriving in the primary markets in large numbers, placing orders freely and often urging quick delivery, which substantiates the claim that stocks are low in all positions.

Railway earnings in July thus far surpass corresponding reports for last year by 8.5 per cent., and foreign commerce at this port alone for the last week shows gains of \$2,110,472 in exports and \$1,589,518 in imports. Prices of securities advanced to the highest point in over a month, and monetary conditions were improved by the satisfactory placing of the Panama Canal loan:

Bradstreet's of July 28, 1906, says:

In the leading industries more than seasonable activity rules, with the iron and steel trades leading in volume of demand and output. Building continues active and materials move well, though ease in Southern yellow pine is expected to last until the autumn. The crop situation seems to lose nothing as the growing season advances. Estimates of total wheat yield tend to grow as the spring wheat crop approaches maturity. A bumper yield in the Northwest is thought not impossible, and corn is doing well, with moisture needed in only a few States and a record Southern crop in sight. The heavy movement of winter wheat to market, while tending to some ease in prices, has a favorable side when the export business is considered. Reports are that a large future business in this direction has already been booked.

An interesting side light on the pessimistic predictions current some time ago as to the meat trade is found in advices from Chicago that cattle and hog prices are at the highest point of the year. Railway traffic returns point to an unprecedentedly heavy volume of business offering. Export trade in iron and steel keeps up surprisingly well, this being made possible, probably, by excellent trade in foreign markets.

As regard the money situation, it might be observed that some authorities take a rather more optimistic view as to supplies for crop moving purposes; and the free marketing by farmers of the winter wheat crop, despite the lower prices obtained, is a matter for encouragement.

# President Roosevelt on the Campaign.

## A TRENCHANT ANALYSIS OF THE ISSUES.

The following letter of the President to Representative Watson presents clearly the predominant national policies that would be jeopardized by the election of a Democratic House of Representatives next November:

Oyster Bay, N. Y., August 18, 1906.

My Dear Mr. Watson:—I hear, through Speaker Cannon and Representative Sherman, that you have volunteered to give your services to the Congressional Committee for the entire campaign, without regard to the effect it may have upon your canvass in your own district; and I feel like writing you a word of congratulation and of earnest hope for the success of your efforts. If there were only partisan issues involved in this contest I should hesitate to say anything publicly in reference thereto. But I do not feel that such is the case. On the contrary, I feel that all good citizens who have the welfare of America at heart should appreciate the immense amount that has been accomplished by the present Congress organized as it is, and the urgent need of keeping this organization in power. With Mr. Cannon as Speaker, the House has accomplished a literally phenomenal amount of good work. It has shown a courage, good sense and patriotism such that it would be a real and serious misfortune for the country to fail to recognize. To change the leadership and organization of the House at this time means to bring confusion upon those who have been successfully engaged in the steady working out of a great and comprehensive scheme for the betterment of our social, industrial and civic conditions. Such a change would substitute a purposeless confusion, a violent and hurtful oscillation between the positions of the extreme radical and the extreme reactionary, for the present orderly progress along the lines of a carefully thought-out policy.

The interests of this nation are as varied as they are vast. Congress must take account, not of one national need, but of many and widely different national needs; and I speak with historic accuracy when I say that not in our time has any other Congress done so well in so many different fields of endeavor as the present Congress has done. No Congress can do everything. Still less can it, in one session, meet every need. At its first session the present Congress, in addition to the many tasks it actually completed, undertook several tasks which I firmly believe it will bring to completion in its sec-



ond session next Winter. Among these I hope and believe that the bills to prohibit political contributions by corporations, and to lower the duties on imports from the Philippine Islands, each of which has been passed by one House, will be enacted into law. I hope, and I have reason to believe, that favorable action will be taken on the bill limiting the number of hours of employment of railway employees. These and one or two other measures, the enactment of which I have reason to hope for, are important. But far more important are the measures which have actually been passed, and as to these measures I wish to reiterate that they are not important in a merely partisan sense, but are important because they subserve the welfare of our people as a whole, of our nation as an entirety. They are important because those who enacted them into law thereby showed themselves to be fit representatives of all good Americans.

In affairs outside of our own country our great work has been beginning to dig the Panama Canal. The acquisition of the Canal strip was due to the initiative of Congress; and the fact that the work thereon is now being done in the most thorough and satisfactory fashion is due to the action of the present Congress at the session just closed. Only this action rendered the work possible, and the heartiest acknowledgments are due to the far-seeing patriotism of those who thus made it possible. The digging of the Panama Canal is the colossal engineering feat of all the ages. No task as great of the kind has ever been undertaken by any other nation. The interests banded together to oppose it were and are numerous and bitter, and most of them with a peculiarly sinister basis for their opposition. This sinister opposition rarely, indeed, ventures openly to announce its antagonism to the Canal as such. Sometimes it takes the form of baseless accusation against the management, and of a demand for an investigation under circumstances which would mean indefinite delay. Sometimes it takes the form of determined opposition to the adoption of plans which will enable the work to be done not merely in the best but in the quickest possible way. Had Congress been either timid or corrupt, and had not the leaders of Congress shown the most far-sighted resolution in the matter, the work of building the Canal would never have been begun or, if begun, would now have halted. The opposition to the adoption of the treaty by which our right to build the Panama Canal was secured; a part at least of the opposition even now being made to the ratification of the Santo Domingo Treaty, which is one more step in the effort to make peaceful and secure the waters through which the route of the Canal leads; the constant effort to delay, on one pretext and another, the actual work on the Canal—all prove how essential

it is that if the American people desire the Panama Canal to be built in speedy and efficient fashion they should uphold the hands of those who, in the present Congress, have so effectively championed this work.

No less praiseworthy has been the attitude of this Congress in continuing to build and maintain, on a high plane of efficiency, the United States Navy. This country is irrevocably committed to the maintenance of the Monroe Doctrine. It is irrevocably committed to the principle of defending and policing the Canal route. But its championship of the Monroe Doctrine and its announcement of its intentions as to the Canal route would both be absurd on their face if the nation failed to do its duty in maintaining a thoroughly efficient Navy at as high a point of perfection as can possibly be attained.

Our external affairs are important, but our internal affairs are even more important; and no other Congress for many a long year has, as regards the betterment of our internal affairs, so much and such excellent work to its credit. The tremendous social and industrial changes in our nation have rendered evident the need of a larger exercise by the National Government of its power to deal with the business use of wealth, and especially of corporate wealth, in interstate business. It is not too much to say that the course of Congress within the last few years, and the hearty agreement between the executive and legislative departments of the nation in taking the needed action each within its own sphere, have resulted in the nation for the first time definitely entering upon the career of proper performance of duty in these matters. The task is peculiarly difficult, because it is one in which the fanatical or foolish extremist, and the reactionary, whether honest or dishonest, play into one another's hands; and they thereby render it especially hard to secure legislative and executive action which shall be thorough-going and effective, and yet which shall not needlessly jeopardize the business prosperity which we all share, even though we do not all share it with as much equality as we are striving to secure. It is a very easy thing to play the demagogue in this matter, to confine one's self merely to denouncing the evils of wealth, and to advocate, often in vague language, measures so sweeping that, while they would entirely fail to correct the evils aimed at, they would undoubtedly succeed in bringing down the prosperity of the nation with a crash. It is also easy to play the part of the mere obstructionist; to decline to recognize the great evils of the present system, and to oppose any effort to deal with them in rational fashion—thereby strengthening immensely the hands of those who advocate extreme and foolish measures. But it is not easy to

do as the present Congress and its immediate predecessors have done; that is, sternly to disregard alike the self-interest of those who have profited by the present evils, and the wild clamor of those who care less to do away with them than to make a reputation with the unthinking of standing in extreme opposition to them. But this is precisely what the present Congress has done. Instead of enacting anti-trust laws which were either so vague or so sweeping as completely to defeat their own objects, it has given us an interstate commerce law which will enable us to exercise in thorough fashion a supervision over the common-carriers of this country, so as, while scrupulously safeguarding their proper interests, to prevent them from charging excessive rates; to prevent their favoring one man at the expense of another, and especially a strong man at the expense of a weak man; and require them to be fully accountable to the public for the service which, to their own profit, they render the public. The previous Congress, by the enactment of the Elkins Law and by the creation of the Department of Commerce and Labor, including the Bureau of Corporations, had enabled us to make great strides in advance along the path of thus bringing the use of wealth in business under the supervision and regulation of the National Government—for, in actual practice, it has proved a sham and pretense to say that the several States can thus supervise and regulate it. The strides taken by the present Congress have been even longer in the right direction. The enactment of the Pure Food Bill and the passage of the bill which rendered effective the control of the Government over the meat-packing industries are really along the same general line as the passage of the Interstate Commerce Law, and are second only to it in importance.

Perhaps the peculiar merit of these laws is best shown by the fact that while they have aroused the deepest anger of the reactionaries, of the men who make a fetish of wealth, they have not satisfied the unwise extremists; and the present Congress, in achieving this merit, has acted in the exact spirit of Abraham Lincoln, who was never to be frightened out of going forward by the cries of those who feared progress, nor yet to be hurried into a precipitate advance by the demands of the crude-thinking, though often well-meaning, men who are not accustomed soberly to distinguish between phrase-making and action. To the men who come in the latter category all we need say is to bid them possess their souls in peace. They have advocated action; but we have taken action; and the fact that this action has been sober and temperate has been in no small degree the cause of its far-reaching efficiency. To the former class—to the reactionaries, who seem to fear that to deal in proper fashion with the abuses of prop-



erty is somehow an attack upon property—we would recall the words of Edmund Burke: “If wealth is obedient and laborious in the service of virtue and public honor, then wealth is in its place and has its use. But if this order is changed and honor is to be sacrificed to the conservation of riches, riches, which have neither eyes nor hands nor anything truly vital in them, cannot long survive the well-being of \* \* \* their legitimate masters. \* \* \* If we command our wealth we shall be rich and free. If our wealth commands us we are poor indeed.”

In addition to thus dealing with the proper control of capitalistic wealth, Congress has also taken important steps in securing to the wage-workers certain great rights. At the session that has just closed, an employers' liability law was enacted which puts the National Government in its proper place as regards such legislation. An eight-hour law was already on the statute books; but, as is almost inevitable with such laws, there was at first great confusion as to whose duty it was among the different public officials to enforce it. This confusion has now been remedied and the law is in process of thorough enforcement. If this enforcement demonstrates the need of additional legislation to make this eight-hour law effective, I shall ask for such legislation. I may add that next year I shall ask Congress to put in the permanent form of law the provision I have made by executive order for securing to the wage-workers under the Government half-holidays during the Summer months, just as regular holidays are now secured by law for the salaried clerical workers in the classified service. No Congress has ever more clearly shown its practical appreciation of the fact that the welfare of the wage-workers, and the welfare of the tillers of the soil, make the real basis of the welfare of the nation as a whole. We will do everything that can be done to further the interests of the farmer and the wage-worker; and this declaration is subject only to one reservation—which is, that for no man, and no body of men, will we do anything that is wrong. Our constant aim is to do justice to every man, and to treat each man as by his own actions he shows that he deserves to be treated. We favor the organization of labor, as we favor the organization of capital; but on condition that organized labor and organized capital alike act in a spirit of justice and fair dealing, and with due regard to both the letter and the spirit of the law. We heartily favor trades unions, and we recognize in them, as in corporations, when properly conducted, indispensable instruments in the economic life of the present day; but where either type of organization is guilty of abuse we do not propose to weaken the remedial powers of the Government to deal with such abuse. We are anx-

ious to help, alike by law and by executive action, so far as in our power lies, every honest man, every right-dealing labor union, and, for the matter of that, every right-dealing corporation. But, as a corollary to this, we intend fearlessly and resolutely to uphold the law, and to strengthen it, so that we can put down wrong, whether done by rich or poor; if done by the most powerful corporation or the most influential labor union, just as much as if done by the humblest and least influential individual in the land. The fact that we heartily recognize an organization or a kind of organization as useful will not prevent our taking action to control it or to prevent its committing abuses when it uses in wrong fashion the power which organization confers.

The enactment into law of the bill removing the tax on alcohol used in the arts will ultimately be of marked benefit to us in more ways than one. It shows likewise the entire willingness of those responsible for the handling of the present Congress to alter our revenue system, whether derived by taxation on imports or internal taxation, whenever it is necessary so to do.

We stand unequivocally for a protective tariff, and we feel that the phenomenal industrial prosperity which we are now enjoying is not lightly to be jeopardized; for it would be to the last degree foolish to secure here and there a small benefit at the cost of general business depression. But whenever a given rate or schedule becomes evidently disadvantageous to the nation, because of the changes which go on from year to year in our conditions, and where it is feasible to change this rate or schedule without too much dislocation of the system, it will be done; while a general revision of the rates and schedules will be undertaken whenever it shall appear to the sober business sense of our people that, on the whole, the benefits to be derived from making such changes will outweigh the disadvantages; that is, when the revision will do more good than harm. Let me add one word of caution, however. The question of revising the tariff stands wholly apart from the question of dealing with the so-called "trusts"—that is, with the control of monopolies and with the supervision of great wealth in business, especially in corporate form. The only way in which it is possible to deal with those trusts and monopolies and this great corporate wealth is by action along the line of the laws enacted by the present Congress and its immediate predecessors. The cry that the problem can be met by any changes in the tariff represents, whether consciously or unconsciously, an effort to divert the public attention from the only method of taking effective action.

I shall not pretend to enumerate all the good measures of

less importance which the present Congress has enacted into law, although some of these measures, as, for instance, the Consular Bill and the Naturalization Bill, are of wide-reaching effect. I have said enough to show why, in my judgment, you and your colleagues are entitled to the good wishes of all those American citizens who believe that there are real evils in our industrial and economic system, and that these evils can be effectively grappled with—not by loose declamation, but by resolute and intelligent legislation and executive action.

Sincerely yours,

(Signed) THEODORE ROOSEVELT.

Hon. James E. Watson, M.C.,  
Rushville, Ind.

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Uncle Joe Cannon's new platform: "Put none but home-made cake in the pantry."

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